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FBIS-EEU-91-152 *7 August 1991*

CONTENTS

NOTICE TO READERS: • indicates material not disseminated in electronic form.

ALBANIA

Ministry Protests SFRY Actions in Kosovo *[ATA]* 1
Democratic Party on Albanian Fatalities in SFRY *[ATA]* 1
Trade Unions Talk to Government, Parties *[ATA]* 1
Law on National Intelligence Service Viewed *[BASHKIMI 29 Jul]* 1
Justice Minister Attends Vienna UN Conference *[ATA]* 3

BULGARIA

Prime Minister Popov Discusses Miners' Problems *[BTA]* 5
General Petrov Appointed Army Chief of Staff *[Sofia Radio]* 5
Prosecutor's Office Requests Todorov's Extradition *[OTECHESTVEN VESTNIK 1 Aug]* 5
Intelligence Chief on Drugs, Arms Trade, Markov *[BTA]* 5
Dimitrov on Podkrepa Quitting Tripartite Talks *[DEMOKRATSIYA 1 Aug]* 6
Delay in Start-Up of Kozloduy Plant Unit *[Sofia Radio]* 6
Fire Extinguished *[Sofia Radio]* 6
SDS Advocates Trade Union Election Observers *[DUMA 1 Aug]* 6
New Center-Right Opposition Party Supports SDS *[BTA]* 7
Nikola Petkov BZNS To Announce Own Platform *[DUMA 1 Aug]* 7
BZNS-United Leadership Appoints Secretariat *[ZEMEDELSKO ZNAME 1 Aug]* 7
BZNS-United Objects to Election Date *[BTA]* 8
BSP Insists 29 Sep Election Date Be Honored *[BTA]* 8
European Security Committee Elects New Leaders *[DUMA 2 Aug]* 8
Labor Minister Details Employment Situation *[BTA]* 9
World Bank Letter Encourages Economic Reform *[BTA]* 9
Foreign Aid Agency Chief on Needs, Problems *[NOVINI 1 Aug]* 9

CZECHOSLOVAKIA

Party Chairman Lux on Situation Within CSL *[MLADA FRONTA DNES 5 Aug]* 10
Meciar Expresses Need for Slovak Shadow Cabinet *[NARODNA OBRODA 2 Aug]* 11
Dubcek Labels Criticism of Performance 'Demagogy' *[CTK]* 11
Pithart Examines Czech-Slovak Differences *[Prague Radio]* 12
Miklosko Discusses Dubcek, Council Issues *[Bratislava Radio]* 13
Report Attempts to Clarify Arms Export Issue *[MLADA FRONTA DNES 1 Aug]* 14
Chief of Staff Outlines Army Situation
[CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY 1 Aug] 14
Switzerland Asked To Extradite Investigator Zak *[CTK]* 16
Correction to Conflicting Views on Zak-Slusovice
[CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY 1 Aug] 16

HUNGARY

Economic Effects of CEMA's Collapse Assessed *[UJ MAGYARORSZAG 1 Aug]* 17
Contributions to Unemployment Fund To Begin *[NEPSZABADSAG 31 Jul]* 18
Officials, Press Comment on Yugoslav Crisis *[MTI]* 18
Fur Views SFRY Relations *[MTI]* 19

POLAND

Bielecki, FRG's Ruehe Discuss Ties With EC *[PAP]* 20

Foreign Ministry Spokesman on Weapons for SFRY *[TANJUG]* 20
Government Halts Arms Supplies *[Warsaw TV]* 20
Ministers Discuss 'Financial Surveillance' *[PAP]* 20
Balcerowicz Views Economic Situation *[Warsaw Radio]* 21
Finance Ministry Suggests Budget Changes *[GAZETA WYBORCZA 31 Jul]* 21
Sejm Deputy on Vetting Former SB Collaborators *[GLOS PORANNY 25 Jul]* 22

ROMANIA

PNL Presents Political Program at Liberal Forum *[ROMANIA LIBERA 30 Jul]* 23
Young Liberal Leader on Party's Social Program *[ROMPRES]* 23
Editorial Criticizes 'Attacks' on PNT-cd *[DREPTATEA 1 Aug]* 24
Opposition Calls Vote 'Large-Scale Fraud' *[DREPTATEA 2 Aug]* 24
Balasoiu on Reorganization of Communist Party *[ROMPRES]* 25
Communique on Privatization, Agriculture Policy *[REALITATEA ROMANEASCA 2 Aug]* 26
Economic Decline in First Half of 1991 Reported *[ROMPRES]* 26
Stanculescu, Guse Testify at Timisoara Trial *[ROMPRES]* 27
Economic, Trade Agreements Signed With Moldova *[ROMPRES]* 28
Foreign Minister Nastase Visits Japan *[cross-reference]* 28

YUGOSLAVIA

Federal

Mesic Fears Crisis Will Expand *[Vienna AZ 7 Aug]* 29
Jovic Claims Mesic 'Outmaneuvered' EC *[TANJUG]* 29
Text of Presidency's Cease-Fire Decision *[TANJUG]* 29
Presidency Minutes on Meeting Troika *[TANJUG]* 30
Draft Decision on Cease-Fire Accepted *[TANJUG]* 31
Tupurkovski Hopeful on Cease-Fire *[TANJUG]* 31
Federal Army Blockades Solta Island *[Zagreb Radio]* 31
Milosevic Calls Seselj 'Liar' on Chetnik Issue *[Vienna Radio]* 31

International

TANJUG Questions EC Prestige 32
Austrian Officials Arrive for Talks *[Vienna Radio]* 32
Loncar Holds Talks *[TANJUG]* 32
Milosevic Addresses Cooperation *[TANJUG]* 33
Mesic Meets Officials *[TANJUG]* 33
Drnovsek Comments on Meeting With Genscher *[Ljubljana Radio]* 33
Vice President Kostic Receives Soviet Ambassador *[TANJUG]* 34
Crisis Internationalization Issue Viewed *[TANJUG]* 34

Slovenia

Ministers View Army Moves, Issues *[TANJUG]* 34
Third Army Train Departs, Withdrawal Continues *[Ljubljana Radio]* 35

Croatia

Press Views New 'National Salvation' Government *[TANJUG]* 35
Tomac Assesses New Government *[TANJUG]* 36
Tudjman Seeks European Help To Prevent Bloodshed *[Berlin ADN]* 36
Domljan Calls For World's Assistance *[TANJUG]* 36
Cease-Fire Proposals Detailed *[TANJUG]* 36
Commerce Official Cited on Trade With Serbia *[TANJUG]* 37
Fighting Continues in Eastern Croatia *[Belgrade Radio]* 37
Situation in Kostajnica 'Returning to Normal' *[Zagreb Radio]* 37
MUP Forces Fire on Army at Bijelo Brdo *[TANJUG]* 37
Brezak Reports Cease-Fire Violations *[Zagreb Radio]* 38

Night 'Transformed Into Day' by Vukovar Fighting *[Belgrade Radio]* 38
Official Says Serbs Fire Hundreds of Shells *[AFP]* 38
Knin Official Blames Croats for Attacks on Serbs *[TANJUG]* 39
Mortar Attack on Village Near Zagreb *[Zagreb Radio]* 39
'Strong Explosions' Reported Near Conflict Zone *[TANJUG]* 39
Deputy Interior Minister Reports Casualty Figures *[Ljubljana Radio]* 39
Explosions Reported in Eastern Slavonia *[Zagreb Radio]* 39

Serbia

Opposition Party Criticizes EC Decision *[TANJUG]* 40
Jovanovic Refutes EC Troika Position *[TANJUG]* 40
Foreign Minister on Resolving Crisis *[TANJUG]* 41
Democratic Party on Failure of EC Mission *[TANJUG]* 41
'Increasing' Role of Serbian Peace Movement *[Budapest Radio]* 41
Tirana Radio Assails Pristina Paper Ban *[Tirana Radio]* 42

Macedonia

Assembly: Constitution To Be Adopted by Sep *[Skopje Radio]* 42
Assembly Approves Independence Referendum *[TANJUG]* 43
Assembly Resumes Adjourned Session *[Belgrade Radio]* 43

Bosnia-Hercegovina

Muslim Leader Discusses Conflict With Serbs *[TANJUG]* 44

Ministry Protests SFRY Actions in Kosovo

AU0708085091 Tirana ATA in English 0805 GMT 7 Aug 91

[Statement of the spokesman of the Ministry of Foreign Affairs—ATA headline]

[Text] Tirana, August 7 (ATA) — The number of the Yugoslav military forces has increased in the border with our country recently. They are openly and provokingly demonstrating their force through continuous manoeuvres. The concentration of Army forces in the Albanian state borders occurs at a time when the flames of war are kindled in the north of the country and a massive massacre is underway against the Albanians in Kosovo.

Such acts run flagrantly counter to the CSCE acts which stress the ban on any demonstration of force and any act which directly or indirectly leads to the use of force against a CSCE member states.

We also voice our powerful protest to the mal-treatment or assassination of the Albanian nationals in the Albanian-Yugoslav border on the part of the Yugoslav forces. Although a note of protest was handed to the Yugoslav Embassy in Tirana, assassination of our nationals is going on. On July 30, the Yugoslav forces killed Haxhi Rizvani and on August 3 Hysen Sadik Islami, both from Tropoje.

The assassination of Albanian nationals is a violation of the fundamental human right to live and an expression of the hostile stand and policy of the Serb chauvinistic circles towards the Albanian people.

Democratic Party on Albanian Fatalities in SFRY

AU0708104591 Tirana ATA in English 0918 GMT 7 Aug 91

[Text] Tirana, August 7 (ATA)—The declaration of the Democratic Party of Albania published in the latest issue of the newspaper RILINDJA DEMOKRATIKE says that the recent developments in Yugoslavia warn of fatal events for our Albanian brothers in their territories.

The failure of the conciliating efforts of the troika of the European Community due to the Balkan Byzantism of Milosevic and his Serb-Montenegrin vassals, the declaration says further on, marks the loss of the last chance for the solution of the Yugoslav crisis. The Democratic Party of Albania considers the present fight in Yugoslavisa as a fight of Milosevic dictator to create big Serbia against the democratic ideology defended by the other peoples of Yugoslavia. The policy the big-Serb Stalinists, Milosevic-Adjic are pursuing today is leading to bloodshed the democratic peoples of Croatia and Slovenia, threatens the life and existence of the Albanians and runs contrary to the vital interests of the Serb people themselves. It makes up the main danger for the democratic developments and peace in the Balkans.

The Democratic Party hails the initiative of the German foreign minister, Mr. Genscher, for an urgent meeting of the analogue ministers of the European Community, to examine the present situation in Yugoslavia. The Democratic Party demands from the European and international communities to insist upon sending observers and troops in Kosovo to prevent the possible massacre and confrontation, demands the recognition of the Republic of Kosova as an independent subject in all the talks and efforts made for the solution of the Yugoslav crisis.

Trade Unions Talk to Government, Parties

AU0608135591 Tirana ATA in English 0928 GMT 6 Aug 91

[Text] Tirana, August 6 (ATA)—The Union of the Independent Trade Unions of Albania [UITU] organized on August 5 a working meeting with representatives of the government and political parties.

The chairman of the UITU of Albania, Valer Xheka, dwelt on some problems which have to do with the realisation of the demands of the working people and social peace. The demands of the workers are not yet realised in time, he said, demands on which the trade unions and the government have agreed upon. He laid the stress on the aid of the government and political parties to accelerate as much as possible the process of reduction and renovation of the apparatuses at all levels, as well as on the sluggishness noticed in the pluralistic composition of the organs of local power.

After demanding that the party organizations be removed from the enterprises, Valer Xheka concentrated on the role the organs of public order should play for the tranquillity and social peace.

Law on National Intelligence Service Viewed

AU0608101591 Tirana BASHKIMI in Albanian 29 Jul 91 pp 1, 2

[Veip Proda article: "New Times Call for New Thinking"]

[Text] The law "On the National Intelligence Service" was approved on 2 July. Although the date of its approval is accidental, such a coincidence obliges us to recall the tragic events at the embassies one year ago, in which the State Security Service had its own moral, social, and political responsibility, as well as the declaration of the Republic of Kosovo, a day that will be inscribed in golden letters on the altar of national history, making every Albanian and patriot rejoice.

The law, warmly welcomed by public opinion, represents a major victory for democracy in Albania. It prepares the ground for the construction of a new service on new foundations.

From the legal angle, the National Intelligence Service is for the first time divested of any cult of mystery and secrecy and of any arbitrariness, subjective authority, or

human rights violations. As Article 3 states, "The work of this service is based on the enforcement of the Constitution and laws of the Republic of Albania and on respect for universal human rights as guaranteed by the Albanian state on the basis of the UN Charter, the CSCE documents, and other international documents."

It is subject to full legal control, and has been deprived of all possibility of becoming an organ of repression, because it is not aimed against people in general but against criminal acts committed by individuals, according to Article 1.

This total overhaul of its philosophy must necessarily be accompanied by a total overhaul of its practice, all the more so when the service's methods and resources are approved by a bylaw of the Council of Ministers and are subject to continual scrutiny by the procurator general.

The National Intelligence Service is totally depoliticized, because, from its chairman to its humblest employee, it will carry out its work beyond the influence of parties and political organizations. This not only prevents any illegal interference in its work, but establishes the service on the basis of legality, objectivity, and efforts to reflect the truth and nothing but the truth.

I think that this is the fairest possible solution, one that considers the National Intelligence Service as a specialized body and central institution under the auspices of, but not part of the Council of Ministers.

The law permits the infringement of citizens' constitutional rights only when a citizen has violated the Constitution and the country's interests and has committed crimes defined by Article 1 of the law. Even then, such a step can be taken only with the procurator general's approval, and the service is legally responsible for any abuse or malpractice.

For the performance of its duties and functions, the National Intelligence Service also relies on citizens' voluntary assistance, while the compulsory force of the law only operates through the justice authorities. Meanwhile, it is obliged to cooperate and coordinate its work with the Ministry of Public Order, the Ministry of Defense, and other institutions, according to criteria defined by a special decree of the Council of Ministers.

The National Intelligence Service is not an all-embracing surveillance or censorship agency. It is a body that carries out nominal tasks in connection with the crimes defined by Article 1. It is precisely this basic principle that underlies the organization of the National Intelligence Service.

The National Intelligence Service does not conduct investigations. Nor does it carry out arrests, except in preventing flagrant crimes in accordance with the Code of Criminal Procedure. Every employee of the service is accountable for behavior contrary to the duties entrusted to him. Similarly, he has the legal right not to carry out any illegal order that may be given to him. This rules out any pressure on the service's employees, of a kind that was not insignificant in the past, when oral orders overruled even those working regulations that existed, resulting in arbitrary acts.

One of the greatest victories in this law is the establishment of criteria for employment in the service and dismissal from it. Definite criteria for employees' employment and dismissal open the doors to capable and qualified people of respectable moral and social character.

There has been much concerned discussion in recent months about what the National Intelligence Service will be like. Will it be different from the State Security Service, and how? What will be done with the latter's employees? I think that if any organization in the present Albanian state administration has been totally dissolved, it is the State Security Service. Likewise, if any body has been established on a clear legal footing, it is the National Intelligence Service.

The goodwill and care that has been devoted to the National Intelligence Service's creation from scratch, the manner of conception of the service's organization, and the legal definition of its duties, are in diametrical opposition to the practice of the past, and anticipate the creation of the structure of the law-governed state. In this way, every precondition exists for the National Intelligence Service to become an intelligent body, up-to- date in its duties and behavior, legal in its methods and tools, and scientific in its analyses, deductions, conclusions, and operations.

Concerning the cadres who are to work in this service, two views are in general evident.

The first is that this service should retain those cadres who fulfill the conditions laid down by the law or will fulfill them within a certain period (who are completing college or studying a foreign language). It should not retain those who have been shown to have violated the existing laws, who have abused their positions, who have been obedient toadies, or who have been incompetent and second-rate. For me, this is the correct view.

The second view is that everyone should be dismissed without exception. There have been cases of very serious insinuations, outrageous comparisons, and unscrupulous "truths."

If we talk in such a way, we will make a serious mistake, for the following reasons:

Hitherto, a multitude of cadres working for the State Security Service have been sons of the people, workers, peasants, and our intellectuals, and have shown themselves to be democrats. Their past and present service records are clean. If there is any place for fear, let this be borne by the practices of the past that have now been dismantled and replaced by this new law and the bylaws stemming from it.

Let it not be forgotten that we ourselves on our own initiative made fundamental conceptual changes that these security cadres embraced immediately. There were many social tensions, but not a single person suffered a scratch from security employees. They committed not a single crime. Let it be understood that we too underwent psychological tension, stress, pressure, and disorientation, but we put these things behind us thanks to our cool heads, maturity, and patriotism, and particularly thanks to a correct understanding of the situation by the majority.

How did this happen? This is why:

—Honest employees relied for all their work on the sound virtues of the people and their families, and thus could not be manipulated or involved in the filthy deeds put before them.

—Because they thought they were working for the homeland, they became disillusioned when they encountered practices that ran counter to existing regulations, let alone the interests of the people.

—Because they were faced every day with the people, with ordinary people and parents, they deeply understood people's worries, a fact reflected directly or indirectly in their own lives.

—The educational and cultural level of these cadres was adequate. Almost 90 percent had professional or state college education. However, their bosses were second-rate and arrogant, and whether by design or not had made standard practices out of orders, patronage, and arm-twisting. Thus, security employees themselves were in a way psychologically pressured and subject to a spiritual burden when they saw with their own eyes how mediocrity spawned mediocrity in ways that conflicted with the intellectual ideas of the broad masses. There was plenty of resistance, opposition, and retaliation on their part.

—Many arbitrary acts offended the security employees' ideas of principle, when they saw that what was said conflicted with what was done, and words and deeds were at opposite poles. This destroyed any excess of trust, and led to the collapse of taboos. Idealistic or blind convictions turned into real, practical distrust. To give an example, arrests for political convictions on the basis of surveillance operations had fallen almost to zero in recent years.

All these and other factors meant that honest security employees responded to the process of democratization without excesses. I therefore think that they should be retained by the National Intelligence Service, and welcomed warmly as brothers. We will then see how humane their view of the world is. I think that their honesty and cultural level must today not be construed as weakness. I say frankly that Albania needs them.

Meanwhile, the dishonest members of the organization, after performing 1,001 kinds of "contortions," are trying once again to behave speculatively. They either pretend to be great democrats or clamor that they have all their lives been thorough dissidents within the service, that they have "defended" legality, that they have had a "difficult time," or that they have been "in danger," and they elevate their sporadic opposition over professional or technical matters into feats, calling themselves heroes. Meanwhile, the real democrats hold their peace to the point of agony over what they did or did not do. They remain anonymous, because they do not want praise and do not know what boasting is. This is a noble virtue that our society must preserve. These qualities, seen against the mistaken practices of the past, will raise these people to the front ranks in the defense of legality, so that such things will never happen again.

I think that our emancipated society, as it becomes increasingly democratic, must show maturity and a high level of civil responsibility in this area. If we speak in heat, nobody will be able to retain his job in any cranny of our superstructure. This would not be the right way to conceive of things. Time will do its own work, and normal and continual staff turnover will result in a complete transfusion of new blood in favor of the new Albanian society that will be created.

The National Intelligence Service is the property of the people and not anybody's private estate. Everybody must give it their honest and sincere assistance and support. This would be the greatest service we could render toward giving this service the character we wish for it, for the present and the future. Great times demand great efforts.

The work for the drafting and approval of the law "On the National Intelligence Service" was not only a test for the employees of this organ, but was also a result of the cooperation and assistance given by the justice authorities; the demands of the political parties; the careful work of the Government of National Stability, the parliamentary commissions and groups, and the Assembly itself, which analyzed the bill article by article and paragraph by paragraph; and of the work of the president himself, who signed it. We thank everybody, not only for their concern and attention to the future of the service, but for the abilities they displayed in producing this basic public document for the National Intelligence Service.

Justice Minister Attends Vienna UN Conference

AU0608135891 Tirana ATA in English 0858 GMT 6 Aug 91

[Text] Tirana, August 6 (ATA)—The meeting of the intergovernmental working group to hammer out an efficient UN programme for preventing crimes and justice in the criminal field with the participation of many delegations from various countries of the world began its proceedings in the International Center of Vienna on August 5. Attending this meeting which will

continue until August 9 is also a delegation from our country headed by the Albanian minister of justice, Shefqet Muci.

On the same day, the Albanian minister of justice was received in Vienna by the Minister of Justice of Austria Dr. Nikolaus Michalek at the latter's seat. During the talk conducted on this occasion Dr. Shefqet Muci briefed the Austrian counterpart on the development of democratic processes in various fields of life in Albania and acquainted him in particular with special aspects of these processes in the field of Albanian legislation, exchange of various delegations with representatives of this field, etc.

The minister of justice of Austria, Dr. Nikolaus Michalek, voiced the readiness of his country to cooperate with Albania in the field of legislation and justice, in the field of penal politics, for sending in our country Austrian judicial specialists, on rendering experience by them, on sending the respective literature in the field of legislation, etc.

Prime Minister Popov Discusses Miners' Problems

AU0608185891 Sofia BTA in English 1719 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—Prime Minister Dimitur Popov met today with representatives of the leadership of the Federation of Independent Trade Unions of Miners, Metallurgists, Power Engineers and Geologists, the press center of the Council of Ministers announced today. Mr. Popov was familiarized with the condition of this branch of the economy. It was stressed that the major social problems have arisen from the unsettled future and the lack of a clear idea about the development of mining, the uranium industry and metallurgy in the conditions of the market economy. Special concern was expressed about the existing tensions among miners at the Burgas Copper Mines, in Madzharovo, Osogovo, Chiprovets, etc.

It was specified that by the end of August the government will discuss as a priority issue urgent actions for a stabilization in the branch and plans for its further development.

Accepting the invitation for a meeting with miners at a convenient time, the prime minister expressed his hope that efforts will be made to reduce social tensions to avoid speculations with them by different political forces.

General Petrov Appointed Army Chief of Staff

AU0708094791 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 7 Aug 91

[Text] According to our reporter Analiya Kirkova, the new chief of the Bulgarian Army General Staff will be Lieutenant General Lyuben Petrov, who was previously first deputy chief of the General Staff. His new duties will require him to be promoted to the rank of colonel general. This is most likely to happen at 1300 today at the Ministry of Defense, when President Zhelyu Zhelev is due to read a decree on newly promoted generals.

This was announced at a news conference held today by Deputy Defense Minister Colonel General Panayot Panayotov and Lieutenant General Stoyan (?Mocharov).

Prosecutor's Office Requests Todorov's Extradition

AU0708074291 Sofia OTECHESTVEN VESTNIK in Bulgarian 1 Aug 91 p 2

[Ivan Nikolov report]

[Text] Despite the assertions of the defense, the expectations that Vlado Todorov, the State Security General under investigation would not return on 26 July turned out to be true. That was the final date that the Armed Forces' Prosecutor's Office had set before requesting his extradition. The request was made two days ago and now awaits the reaction of the Soviets, who in theory have not refused to cooperate but have indicated no particular desire to find the general. Indicative of this attitude is the fact that Vlado Todorov officially presented himself to the authorities and was treated in hospital, but his address up until now is still not known. It is strange that the Bulgarian and Soviet security services do not know where to find General Todorov, while at the same time the POGLED newspaper found his address and sent its representative to talk with him.

However, the chances of persuading public opinion that the general is mixed up in neither the murder nor the destruction of Georgi Markov's file become less likely the longer matters are drawn out.

It is not quite justified to assume that General Todorov will not return. However, it will not be now as his wife and lawyer assert, but when he can no longer be prosecuted for his crimes because of the statute of limitations.

Intelligence Chief on Drugs, Arms Trade, Markov

AU0608111291 Sofia BTA in English 0933 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—Willy-nilly, Bulgaria was involved in the so-called "state-sponsored terrorism," the chief of the Bulgarian counter-intelligence says. Colonel Chavdar Petkov, 44, explained for the "168 CHASA" weekly how after lawfully concluded armament contracts the consignments fell in the hands of terroristic organizations. "We sold armament to Syria and Lebanon for instance, and then the weapons were found on Bolivian terrorists," Col. Petkov said.

The National Security Service director said that in this case the question was not only about firearms. Trade was carried on in ammunitions, anti-tank shells, explosives, computers and a lot of other military "stuff" as well. In Bulgaria there were no bases for training terrorists as it was the case with the former GDR, but we trained the teams who were to handle these weapons, Col. Petkov said. He has a 20-year-long service in the security services.

From what the security service director said it becomes clear that the business was carried on in fulfillment of intergovernmental agreements. The Bulgarian government supported the national liberation movements. Now this policy is being reconsidered, the colonel stressed.

"SVOBODEN NAROD," the paper of Social Democrats, comments on the participation of the former state security in the drug business—psychotropic substances in particular. According to the paper the related details are at Farmakhim, a Bulgarian pharmaceutic company producing "Kentagon." The profits amount to billions of dollars with the top crust deriving large benefits from the trade, "SVOBODEN NAROD," adds.

"116 CHASA" writes about the assassination of Bulgarian emigre writer Georgi Markov in London in 1978.

Chavdar Petkov distanced himself from the allegations of Bulgaria's involvement in Markov's assassination and in the attempt on the pope's life. "This is a case of personal guilt, only a limited circle of people are involved in it," he underlined.

The counter-intelligence chief stated that eight people had read Markov's file before it was destroyed. These people are known, they are not employees of the former State Security, the colonel added.

Now three former security service chiefs are under investigation, charged with having destroyed the writer's file. One of them, General of the Reserve Todorov, former chief of the Foreign Intelligence Department, is in Moscow and it is not known whether he will ever return to Bulgaria.

Recently a high-ranking official of the Soviet KGB, General Oleg Kalugin, launched the version that this country's former no. 1, Todor Zhivkov, has a hand in Markov's assassination. In reply to a question Mr. Petkov did not rule out the possibility of this being a well-considered operation of the Soviet secret services carried out to stop Zhivkov's mouth on the question of Markov's assassination.

The counter-intelligence chief did not rule out the possibility of the existence of extraterrestrials, either. [as received] Following the same logic, he did not rule out the possibility of finding out something more definite about Markov's assassination.

Dimitrov on Podkrepa Quitting Tripartite Talks

AU0608121891 Sofia DEMOKRATSIYA in Bulgarian 1 Aug 91 p 2

[Interview with Filip Dimitrov, Chairman of National Coordinating Council of Union of Democratic Forces, by Silviya Stefanova; place and date not given: "The Government's Work Is Connected With Many Contradictory Features"]

[Text] [Stefanova] Mr. Dimitrov, what is your opinion of the Podkrepa Labor Confederation's withdrawal from the Tripartite Commission?

[Dimitrov] This is a serious question. It is true that the protocol of the meeting held on 16 July this year shows that there was some extremely unseemly conduct by a lot of people. I personally do not know whether Podkrepa should to have been the most offended party. I think that unseemly conduct toward the president makes an extremely bad impression. It gives one food for thought about the attitudes of people who behave in such a rude and aggressive way. Regarding what happened at the meeting and the Podkrepa Labor Confederation's participation in the Tripartite Commission, I cannot fully assess to what extent these are one and the same thing. In any case, I understand the trade unionists irritation at such behavior.

[Stefanova] At the news conference after Podkrepa's withdrawal, Podkrepa's Deputy Chairman Doncho Ivanov asked you whether the SDS [Union of Democratic Forces] continues to support its ministers in the government. What is your answer, and has a similar question ever been asked?

[Dimitrov] The SDS has never discussed such a question. The government's work is connected with many contradictory features. What is important for us is that to the extent possible within the framework of the economic crisis and the present situation between the political forces in the legislature and the government, the SDS program is supported by our ministers. The SDS has not stopped supporting our ministers' efforts to introduce at least a degree of order into the chaos created by Lukanov's government.

Delay in Start-Up of Kozloduy Plant Unit

AU0608112291 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 6 Aug 91

[Text] At Kozloduy Nuclear Power Plant, the startup of the No. 6 Generating Unit announced for the beginning of this week has been delayed. The reason is vibrations in the bearings of the 1000-megawatt turbine.

The team of experts is working on eliminating the vibrations. At the moment, none of the managers of the nuclear power plant will commit to connecting the No. 6 Unit to the country's electric power system.

Fire Extinguished

AU0608183291 Sofia Khristo Botev Radio Network in Bulgarian 1730 GMT 6 Aug 91

[Text] Lieutenant Colonel Petur Angelov from the National Service of the Fire Department announced that at approximately 1630 today a fire broke out in the open distributing installation [prazpredelitena uredba] of the Kozloduy in the fourth block of the Kozloduy nuclear power plant as a result of a rupture in the isolators of the 400-kilowatt transformer [as heard].

The fire broke out outside of the plant's main building and has no affect on basic operations. It does not affect safety. The fire was discovered by the [words indistinct] near the distributing installation.

The fire was successfully extinguished by the plant's fire brigade on duty. According to preliminary data, the damage amounts to approximately 200,000 leva.

According to the plant engineer on duty, the transformer itself has broken down [izlyazal ot stroya]. According to him, the fire will not affect normal operations.

SDS Advocates Trade Union Election Observers

AU0608122591 Sofia DUMA in Bulgarian 1 Aug 91 p 2

[DUMA report]

[Text] On 31 July Boyko Proychev, a Podkrepa political adviser, announced that the National Coordinating

Council of the Union of Democratic Forces has adopted a declaration calling upon its members in parliament to insist that the main trade union confederations act as guarantors for the fairness of the elections.

The Podkrepa Labor Confederation is surprised by the refusal of the Confederation of Independent Trade Unions in Bulgaria [KNSB] to act as an observer in the elections jointly with Podkrepa.

In a letter addressed to President Zhelev, KNSB Chairman Prof. Krustyu Petkov insists that Zhelev act as an initiator for sending international observers to monitor the elections. If you do this, the tension developing in the country will decline, the KNSB letter states.

New Center-Right Opposition Party Supports SDS

AU0608193291 Sofia BTA in English 1730 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—The leaders of the Preobrazhenie Political Forum (PPF) which was established in May described their party as an extraparliamentary right-centrist opposition force.

At a press conference today the PPF leader read a declaration which had been sent to state institutions and the mass media. The declaration opposes the communist changes implemented in Bulgaria, the Soviet-type perestroyka, the "Swedish model" and the shock therapy of Balcerowicz which are alien to Bulgaria's economic development.

The PPF believes that at the forthcoming elections the "Bulgarian people will vote for a single political force which will change the system. The forum called upon the people to cast their votes for the Union of Democratic Forces (SDS) because if "the BSP wins it will prolong the agony of the nation."

Nikola Petkov BZNS To Announce Own Platform

AU0608121591 Sofia DUMA in Bulgarian 1 Aug 91 p 1

[Milena Nikolova report]

[Text] The Nikola Petkov Bulgarian National Agrarian Union [Nikola Petkov BZNS] will come out with its own political program, it was announced at a news conference in Sofia on 31 July. Milan Drenchev confirmed that the statement he made last week that the BZNS Unification Conference was an act of self-unification. He declared that the official organization has set itself the goal of obliterating the images of the other agrarian unions, but the members of the Nikola Petkov BZNS will preserve their character.

Milan Drenchev stated that the Nikola Petkov BZNS will continue to belong to the structures of the Union of Democratic Forces [SDS]. He added that his party will do everything possible to make the SDS a united opposition, notwithstanding the likelihood that the SDS will offer several party lists in the elections.

Milan Drenchev denied the claim by Tsenko Barev that he personally received political directions before 10 November 1989 from the emigres, and stated that he would not take advice from "a little group in Paris."

BZNS-United Leadership Appoints Secretariat

AU0708072291 Sofia ZEMEDELSKO ZNAME in Bulgarian 1 Aug 91 p 1

[Unattributed report on session of the Permanent Board of the National Agrarian Union-United held in Sofia on 31 July: "Unification—A Historic Act in the Life of the Agrarian Union"]

[Text] The Permanent Board of the Bulgarian National Agrarian Union-United [BZNS-United] held its first meeting in Sofia on 31 July. The members of the union's leadership soberly and realistically assessed both the National Conference of Agrarian Unity held on 27 July and the overall process of unification of all the Agrarian forces in the country. The unanimous view was expressed that this event is a historic act in the life of the Agrarian Union that will impart a powerful impulse for bringing this matter, of such importance for the organization, to a speedier conclusion.

Accordingly, it was decided that all the Permanent Board members should immediately begin touring the country—according to a specially drafted plan—and actively participate in well organized meetings with the union's activists in the okrugs, to contribute by their common efforts to accelerating the irreversible process of unification of all the Allied Agrarians.

The BZNS-United Permanent Board allocated duties among its members and also approved a Secretariat attached to the leading body that is able to make day-to-day decisions on various current, organizational, financial, administrative, technical, and other matters. The membership of the Secretariat under the BZNS-United Permanent Board is as follows: BZNS-United Secretary Tsenko Barev; Viktor Vulkov and Dimitur Boev, secretaries of the BZNS-United Permanent Board; and Petko Ogoyski, Ivan Semkov, Aleksandur Dimitrov, and Asen Khristov, members of the BZNS-United Permanent Board.

The meeting paid particular attention to the preparations for the BZNS-United's participation in the elections. The aims are to form the new structures of the united organization speedily and carefully, as well as to develop broad and effective organizational work. In this connection it was decided to set up a Central Election Campaign Council under the BZNS-United Permanent Board in Sofia, which is to draft a plan for its responsible work and submit it for approval within 10 days. BZNS-United Secretary Tsenko Barev will be the chairman of this council. Attached to this council, a Central Election Club will be formed, which will organize the necessary meetings, contacts, and discussions

with activists and citizens during the election campaign. The meeting also decided that the municipal and local allied leaderships should form similar councils and clubs in the relevant settlements.

The members of the Permanent Board approved that Svetoslav Shivarov, chairman of the Ruling Council, should act as spokesman of the BZNS-United.

BZNS-United Objects to Election Date

AU0608160991 Sofia BTA in English 1422 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—The elections cannot be held on September 29 despite the president's decree which scheduled them for then, Mr. Svetoslav Shivarov, member of the leadership of the BZNS [Bulgarian National Agrarian Union] (United) said at a regular briefing today.

According to him, work on the electoral bill is being protracted. The Central Electoral Commission, whose chief is not known yet, will need time to study the requirements of the electoral act and to clarify its tasks. The logistical aspect of the elections should not be underestimated, Mr. Shivarov said. According to him, these arguments are enough to postpone the elections by ten to fifteen days, as provided under the Constitution.

Apprehensions that parliament is lagging behind with its work on the electoral bill and the elections will be held after September 29 were heard yesterday in the chamber of the National Assembly. Jurists believe that if the electoral act is passed by the end of the week, the elections can be held on September 29, because the act provides for a 50-day period before the elections. But second-reading debates on the electoral bill have not made great progress. Both yesterday and today parliament started with debates on the local self-government bill.

Mr. Dimitur Yonchev, deputy chairman of the Bulgarian Socialist Party (BSP), told a regular briefing today that "representatives of the radical Group-39 of the Union of Democratic Forces [SDS] and non-parliamentary groups are creating the impression that the elections are not urgent." According to him, it can often be heard in parliament: "Please, do not hurry with the elections," and instead of passing the electoral act, parliament is debating the units of territorial administration.

In this connection the parliamentary BSP read an official declaration in parliament this afternoon. "We cannot keep silent about the obvious attempts to conceal the apprehensions preceding the expression of the voters' will behind a non-existent wish of the BSP to postpone the elections," the declaration says. The BSP is categorically in favor of general and local elections on September 29. The Socialists find it necessary to have the opinion of the electorate because of the "ever more frequent mistakes of the economic team of the government, accompanied by the already trite attempts to attribute every failure to the BSP." "To make the local elections dependent on the entire reform of the units of territorial administration is tantamount to extending for an unspecified time the term of the provisional executive committees and to placing this reform in unreliable hands,.

The parliamentary BSP has drafted a bill on the presidential elections.

After the BSP floorleader, Ms. Nora Ananieva, read the declaration, Mr. Vladimir Sotirov and Mr. Alexksandur Yordanov M.P.'s of the Union of Democratic Forces said the date of the elections is not subject to debates.

BSP Insists 29 Sep Election Date Be Honored

AU0608173591 Sofia BTA in English 1428 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—Today the Parliamentary Faction of the Bulgarian Socialist Party (BSP) issued a declaration insisting that elections be held on September 29, 1991 as scheduled earlier and severely criticizing the government.

According to the Socialists, the economic team of the government has been making ever more frequent mistakes "accompanied by the already trite attempts to attribute every failure to the BSP." "The attempts of the government to blame the second price shock on lower-level economic managers sabotaging the reform is a sign of either a lack of understanding or tendentiousness," Mr. Georgi Pirinski, deputy chairman of the Socialist Parliamentary Faction and deputy prime minister in the cabinet of former Premier Andrey Lukanov, told the press today.

Mr. Ivan Kostov, minister of finance, was the main target of attack. According to Mr. Dimitur Yonchev, BSP deputy chairman, since last autumn Mr. Kostov has been losing his reputation of being an expert. "There was a period when he was Ivan Balcerowicz but now he is merely Ivan Kostov," Mr. Yonchev said at the BSP regular briefing.

Last week the Bulgarian Social Democratic Party (BSDP) also opposed the economic policy of the government. On Friday the influential Podkrepa Labor Confederation, which walked out of the Tripartite Commission comprising the government, employers and trade unions a week ago, accused the government of being unable to control the economic situation in Bulgaria.

European Security Committee Elects New Leaders

AU0708080991 Sofia DUMA in Bulgarian 2 Aug 91 p 1

[Yasen Boyadzheiv report]

[Text] At a general meeting held on 1 August, the National Committee for European Security and Cooperation elected a new leadership. Rumen Georgiev, member of parliament and cochairman of the "Road to

Europe" Platform, was elected chairman, and his deputies are Georgi Avramov, Lyuben Petrov, and Archpriest Lyubomir Popov.

The committee is a nongovernmental organization whose aim is to bring Bulgaria closer to Europe in the spirit of the ideas embodied in the Helsinki Final Act and the Paris Charter. The general meeting adopted a declaration in support of the Constitution.

Labor Minister Details Employment Situation

AU0608202691 Sofia BTA in English 1923 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—As of August 1 the number of unemployed in Bulgaria was 282,107 people of whom 26,924 were university graduates.

For the first time in a while the number of vacancies is relatively high in relation to the number of unemployed: 22,928 people.

Mrs. Emiliya Maslarova, minister of labor and social affairs, said at a briefing today that this as a result of the application of Decree 110 of the Council of Ministers (for dismissing people at retirement age). 12,000 new vacancies were created only in a month.

World Bank Letter Encourages Economic Reform

AU0608181391 Sofia BTA in English 1705 GMT 6 Aug 91

[Text] Sofia, August 6 (BTA)—On August 1 the Board of Executive Directors of the World Bank granted Bulgaria a 250-million-dollar loan for the structural adjustment of the Bulgarian economy.

In a letter to the Bulgarian Government Mr. Philippe Nouvel, executive director for Eastern Europe, says that the board has been impressed by the resolve of the Bulgarian Government to carry out its reform programme "under conditions which could be described as extreme." The programme of the Bulgarian Government deserves an even greater support on behalf of the creditors who so far have reacted favourably, it is said in the letter.

The executive directors of the World Bank express their hope that the Bulgarian Government will continue to apply successfully its privatization and banking reform measures. They recommend that all the necessary arrangements be made for the distribution of the funds and again express their willingness to cooperate with the Bulgarian Government.

Foreign Aid Agency Chief on Needs, Problems

AU0708075891 Sofia NOVINI in Bulgarian 1 Aug 91 p 2

[Interview with Petko Simeonov, director of the Foreign Aid Agency, by Nadya Kantareva; place and date not given: "Is the Capacity of the Flour Sack Unlimited?]

[Excerpts] [Kantareva] Mr. Simeonov, what kinds of donations do you believe you will need during the winter?

[Simeonov] The agency has acquired enough experience to be able, with the help of experts and specialists from various ministries, to predict the hot spots during the coming months. We are doing this on the basis of full information on the amounts consumed by the entire population, on crop sowings, expected harvest yields, and so on. Without knowing the final results, at the moment I can say that we will again be counting on receiving foreign aid such as children's foods, animal feed, medicines, and medical materials. [passage omitted]

[Kantareva] You say you cannot help all those in need, yet the agency's bank account contains more than 70 million leva.

[Simeonov] This is true, the money is from the sale of donations. We have used only a small part of it, because one donor specifically stated that he wanted the money put to use immediately. In order to distribute the rest of the money to various funds, we are awaiting the appointment of a new administrative council for the agency. Many of the original members have left the council, and neither I nor anyone else can decide alone on how to use this money. [passage omitted]

[Kantareva] Can you guarantee that no speculation is going on with donated foods, clothing, and medicines?

[Simeonov] Speculation is proven by facts. Last month we received 28 tip-offs. Only two of them concerned the work of the agency. We are the most popular, but the Ministry of Labor and Social Welfare, the trade union confederations, the church, and so on also receive aid donations. So far no irregularity has been proved in the work inside the agency. Regarding illegal acts established in distributing aid at the local level, we have an agreement with the police, who take up each case.

Party Chairman Lux on Situation Within CSL

AU0708091091 Prague MLADA FRONTA DNES in Czech 5 Aug 91 pp 1, 3

[Interview with People's Party Chairman Josef Lux by Tomas Marek; place and date not given: "Responsibility for the State"]

[Text] [Marek] The Czechoslovak People's Party [CSL] recently demanded that it be given a ministerial post to replace its Czech Construction and Building Industry Ministry post [abolished on 1 January 1991]. You have now been given the post of Office for Economic Competition director and have submitted a proposal to establish a public works office. Do you think that this office's management, if it is established, should be in the CSL's hands?

[Lux] It is true that we submitted the proposal to establish such an office or ministry. We are convinced that it is necessary to put job creation before social assistance for the unemployed. Moreover, the office's activity would be oriented toward building an infrastructure. This would not only employ people, it would also open doors to further development and would lead toward prosperity. We held extensive discussions on this issue in Italy, where they have long-term experience with the Public Works Ministry, and we agreed that Italian experts would be sent to our country. Of course, it is up to Czech Prime Minister Pithart whether or not our idea is accepted and how personnel issues will be dealt with.

[Marek] The party, given this post, could gain great political capital. A very bitter political struggle can be expected.

[Lux] I also expect this.

[Marek] There were significant tendencies recently within the CSL leading toward your party's withdrawal from the government coalition. Do you think that these streams could again come to the fore?

[Lux] There is de jure no coalition among the parties represented in the government. The government's composition was a chaotic result of the elections, and not the result of relations formulated by agreement. In the confusion that has set in—where important members of the governing parties, such as the forecaster Milos Zeman, are criticizing the government—it is simply nonsensical to take things out of context and to talk about whether the CSL is in the coalition or in the opposition. Nevertheless, we unequivocally think it is necessary to create a forum for agreement among all the democratic forces that feel responsible for the state. We do not want to rid ourselves of our responsibility. Therefore, we are also represented in the Czech Government. If we were to leave the government, it would only be if we felt there was no way we could influence government policy.

[Marek] A great deal has been said about internal strife within the CSL. The majority of Christian and Social Movement supporters—whose representatives appeared at a recent extralegislative Assembly demonstration and supported the demands made there by Miroslav Sladek, Association for the Republic-Republican Party of Czechoslovakia chairman—come from your ranks. What is the CSL leadership's attitude toward this?

[Lux] I would in no way overestimate this situation. An initiative involving a democratic movement of Christians—the Christian and Social Movement—was established here recently with the aim of uniting on a single platform people who are not otherwise politically active. We were forced to make some of our party's functionaries redundant, and some of them are now active within the framework of this platform. I would say that the idea behind the movement is a good one; however, we in no way identify with some of the steps being taken by this movement's representatives. Our view is as follows: If someone is serious about such and such an issue, then it is necessary to cooperate within the CSL's specific social program. It is a little superfluous to establish a new platform.

[Marek] Of course, these people's links with Dr. Sladek could discredit the CSL in the eyes of many people. Your party's leadership should air its views on this....

[Lux] I do not think the time has come for this yet.

[Marek] When the republicans surrounded the Czechoslovak Television building, the CSL's daily, LIDOVA DEMOKRACIE, was the only newspaper to publish a commentary that did not roundly condemn this act....

[Lux] Somewhat exaggerated ideas about the CSL leadership's involvement in the contents of LIDOVA DEMOKRACIE obviously prevail. It is absolutely normal for some editors to have their own opinion. LIDOVA DEMOKRACIE always states very clearly when it is publishing the party's official point of view.

[Marek] It is said that the group in the Christian and Social Movement is identifiable with the one that formed around former CSL Chairman Josef Bartoncik. The author of the aforementioned commentary and LIDOVA DEMOKRACIE's deputy chief editor, Mrs. Bastlova, have taken up rather significant positions in the movement.

[Lux] She is no longer deputy chief editor....

[Marek] The Christian Democratic Union coalition collapsed recently, and observers have concluded from this that the Christian Democratic Party is profiling itself exclusively in the direction of becoming a right-wing conservative Christian party, while the CSL is at the center of the political spectrum or is, perhaps, even a little to the left. What would you say to this?

[Lux] The Christian Democratic Party's steps are being taken in an effort to differ from the Czechoslovak People's Party and are part of its constant effort to find

its identity. A defined character is one of these steps. Our party, if it is necessary to use geometry, is a party to the right of center.

[Marek] Czechoslovak Social Democratic Party [CSSD] Chairman Jiri Horak has said, of course, that he is considering a broader coalition with the CSL. From your point of view, is a coalition with the social democrats being taken into consideration before the elections?

[Lux] We are not considering preelection cooperation with the CSSD.

Meciar Expresses Need for Slovak Shadow Cabinet

AU0708101991 Bratislava NARODNA OBRODA in Slovak 2 Aug 91 p 13

[Extract from an article by Vladimir Meciar, former Slovak prime minister and chairman of the Movement for a Democratic Slovakia, carried in ZA DEMOKRATICKE SLOVENSKO [For a Democratic Slovakia] No. 8: "A Shadow Cabinet"]

[Text] In a democratic society, the opposition is an essential element of the political system regardless of how big it is. Opposition is a plus for the democratic system. Therefore, we cannot identify with what is happening in our country where every opinion other than the coalition's opinion is regarded as an unfriendly opinion and where a black-and-white view of society—the only correct and possible view—is forced upon us. On the basis of this black-and-white view, professional changes are being made, and people are being removed from the working process and from leading functions. This is for ideological reasons, despite the kind of specialists—or rather, characters—involved. This is a serious and gross error and is an antidemocratic course of action pursued by the current government coalition. For this reason, it is also important for the opposition to be a qualified opposition. It must have an internal structure. It must be structured like the parties and movements. One of its entities qualified to keep a watch on government activity is the shadow cabinet. Creating a shadow cabinet is not the rule in every state, but such a cabinet is an essential supplement to democracy. It evaluates the government's activity, it analyzes social processes, and it sets out its aims on the basis of this analysis: Elections, practical measures, adopting points of view on individual laws in the legislatures, and so on. This enhances and improves the quality of the [government's] work and reduces the risk of mistakes. Therefore, it is necessary to perceive the opposition as a qualified opponent and, if not as an opponent, then as a qualified element of the system, with a right to a different view of what is going on around us.

Viewing the opposition as an enemy means not understanding democracy. Unfortunately, this is what is happening in government policy today. However, we believe that this is a temporary phenomenon, just like the current government.

Dubcek Labels Criticism of Performance 'Demagogy'

AU0608142591 Prague CTK in English 1652 GMT 4 Aug 91

[Text] Prague Aug 4 (CTK)— "It is not the first time that I am being attacked," Czechoslovak Federal Assembly (Parliament) Chairman Alexander Dubcek has told journalists in a comment on calls for his resignation.

According to Dubcek, attacks on his person contain much demagogy but demagogy is always short-lived.

Actions "which sow mistrust and hostility among people and which paralyze our common effort are against the principles that we supported, are against democracy and tolerance," he said at Saturday's opening of the World Parachute Jumping Championship in Lucenec, West Slovakia.

On July 23, Dubcek's resignation was demanded by the Czech Civic Democratic Party (ODS) on the grounds that he has withdrawn from the Public Against Violence (VPN), a government coalition member, and openly voiced support for Slovak ex-premier Vladimir Meciar's Movement for a Democratic Slovakia (HZDS). HZDS calls itself a constructive opposition party.

Dubcek was Czechoslovak Communist Party leader when the Warsaw Pact armies invaded Czechoslovakia in August 1968 and was expelled from the party with over half a million other communists in the years which followed the crushing of the 1968 communist-led attempt at reform.

Dubcek said attacks that he was part of the "old structures" lacked "the tolerance and understanding that are required by political pluralism."

Czechoslovak political parties are divided over whether he should remain parliament chairman or not and some warn that they might have difficulty to agree on who should replace him.

The next parliamentary elections in Czechoslovakia are to be held in June 1992.

In his regular weekend interview Dubcek told CTK today ODS Deputy Chairman Miroslav Macek "is trying to discredit me, especially among young people. This is why he accentuates my Communist Party membership, in disregard of my past and present stands."

Last week, ODS Deputy Chairman Miroslav Macek said Dubcek "is not a turncoat because he was and apparently will remain a reform communist."

Dubcek said today this statement may also betray Macek's attitude to Soviet President and Communist Party General Secretary Mikhail Gorbachev, a Nobel prize winner, "whose political steps helped us to be able to embark on the road of democracy."

Macek's "misrepresentation of my attitudes to the changes in our society, his implied suspicion that I reject market economy and parliamentary democracy, are also demagogy," Dubcek said.

He added that his stands over the one and a half year since November 17, 1989 clearly show that he considers market economy, plural political system, parliamentary democracy, and private ownership inevitable.

In his opinion the ODS is attacking his position in parliament because he dissociated himself from the present VPN, and not from its original stands.

Pithart Examines Czech-Slovak Differences

LD0608202691 Prague Ceskoslovensky Rozhlas Radio Network in Czech 1700 GMT 6 Aug 91

[Interview with Czech Prime Minister Petr Pithart by unidentified correspondent; date and place not given—recorded]

[Excerpts] [Reporter] Dear listeners, our regular meeting with Czech Prime Minister Petr Pithart is devoted to the Friday TV program that took place in Moravian Prusanky, but the verbal battle over a glass of wine was waged between the Czech and the Slovak prime ministers on the relations of our two republics.

The meeting in Prusanky, unfortunately, confirmed again my fixed—and not only mine—idea that there is still something unsaid and unsolved in Czech-Slovak relations.

[Pithart] We truly lack actual language, clear answers to clear questions. And I should say that this situation continues to be untenable. I declare this with all responsibility. As of today, I also intend posing clear questions and insisting on specific formulations.

What is involved? The Czech public is being engulfed, in an almost regular rhythm of roughly 14 days, by a new, often unexpected problem by which some Slovak politicians as if to test the impatience of the Czech side. [sentence as heard] Some actions reveal purposeful preparation for a separate existence, while the actual statements make things hazy rather than clear. We are also being constantly confronted by new deadlines of the final arrangement of our relations. However, we cannot build on quicksand, and do not want to guess what each individual pronouncement means, what weight it carries. Our politics would be reduced to explanations of signs. But politicians are not prophets or augurs who guess future actions from the flight of birds. We require specific and actual statements, we do not want someone's impressions, publicly hazy indications. [passage omitted]

I should say that there exist about a dozen basic questions which must be answered within a foreseeable time, so that we might break the vicious circle.

[Reporter] Mr. Prime Minister, I think that for our listeners it will be important to recall some of these most significant questions.

[Pithart] Yes, I will recall them. I said a dozen, but let us say this much: federation or confederation; to Europe as nations or as citizens; are the same rules of economic reform valid for both republics? What is the situation with the gas pipeline, oil pipeline, railway, communications, TV, radio, what about emission banks 1, 2, or 3; simply, how are things with power sharing, taking into account what, for the time being, is still uniting us? Further, will Czechoslovakia continue having a united army on the civic principle, or will there be defense in Slovakia which would be called national again? How are the deliberations on the Slovak home guard linked to this? Will the foreign activity of the Slovak Republic be consistently coordinated with federal foreign policy? will the same duties and same customs be valid on the territories of the Czech and the Slovak republics? Will the same laws be valid?

I told Prime Minister Carnogursky at Prusanky that one can talk about everything, that nothing is taboo, but the thing is that we have to talk distinctly, there should be no conjecture, solving puzzles, making guesses. And it is high time for us to know that this is really all which the Slovak side wants to put up with as problems, that it simply has no further surprises up its sleeve. Otherwise, this manner of arguing would continue to be unacceptable for us. Simply, this manner—I stress manner, rather than individual differences of views, individual arguments and conflicts—taxes our patience. It cannot but occur to us that this is precisely what some Slovak politicians wish for; namely, that it should be the Czech Republic which should say: Let us put an end to it, it is no good.

That is why I repeat yet again what I said in Prusanky to my colleague Carnogursky: Please say all that you really want to say, do not abuse our patience, do not protract the state of uncertainty by constantly coming up with new demands. After all, you want to be perceived by the world as grown-ups, please, behave accordingly. Make a decision. It is only your responsibility. Naturally, you will bear the consequences of your choice, whatever they may be. That too means responsibility and adulthood. Do not, therefore, try to make believe that it could appear that it was not you who decided the matter in the end.

On my own behalf, I can say that I expressed so much goodwill and so much patience that it cost me the trust of many people in Bohemia. I was willing to let it go. Well, who am I? But I should say that time is running out.

[Reporter] Mr. Prime Minister, thank you for the interview.

Miklosko Discusses Dubcek, Council Issues

LD0708064491

[Editorial Report] Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak at 1000 GMT on 6 August carries live a 14-minute interview with Slovak National Council Chairman Frantisek Miklosko by editor Ivan Mjartan; place not given.

Mjartan's first question concerns Miklosko's view of the effectiveness of the Slovak legislature and its ability to pass laws, to which Miklosko replies that, in general, there should be no problem but that "a problem will naturally arise concerning the adoption of the constitution, possibly in adopting the order of proceedings, in adopting some particular bills that will have their own political dimensions." He adds: "Naturally, the Assembly is probably facing a different period because there are certain indications some parties will once again attempt to cause a certain crisis and to cause a change in the presidium and, as a result of this, a change in the government. In this area, I can imagine that the autumn will be difficult and that a lot is quite likely to happen throughout the autumn."

Mjartan then asks Miklosko about political partisanship and lack of political culture among the parties, suggesting this appears to be affecting the work of the government. Miklosko says that "both the Federal Assembly and the Czech National and Slovak National Councils have gone through a great deal of fragmentation, and, in this sense, the two-year period was correctly estimated intuitively. Not one of the three legislatures would be able to exist for four years. This is absolutely clear." This is a natural phenomenon following a period of totalitarianism, Miklosko says before discussing specific affairs concerning specific politicians.

Giving his views on the Dubcek affair, Miklosko says: "I have known Mr. Dubcek from the moment I entered politics—that is, from the November days. I have become very fond of Mr. Dubcek. I think that he is a kind of bard of ours who has political intuition. I saw this during various controversial situations in the Assembly. He can judge whether a vote should be taken." Miklosko says, when he announced that he was withdrawing from Public Against Violence and when, by his clear actions, he—I would not like to say he aligned himself—but by which he at decisive moments, nevertheless, was on the side of the Movement for Democratic Slovakia. This gave rise to the logical problem of whether he is part of the opposition or whether he is in the coalition because, in the Federal Assembly, the Movement for Democratic Slovakia is in opposition. This problem needs to be very clearly solved." He goes on to say that many deputies feel that Dubcek is sitting on the fence, and they are concerned.

Miklosko is then asked whether this is not the same as in the case of President Vaclav Havel, who was in Civic Forum that has since split into three, to which he replies that the situation is different because Havel has not shown support for any of the three resulting movements.

At 1008 GMT, Mjartan asks: "Political observers and others claim that you are sitting on two stools, that of the Public Against Violence [VPN] and of the Christian Democratic Movement [KDS]. This is natural with regard to your dissident past. Is it possible, however, to sit on them today, because it is clear that the KDS and VPN, despite the fact that they are coalition partners, are beginning to part company already on many matters—whether this concerns economic problems or the nationality aspect of their program—and I think that in the autumn and in the pre-election period these divisions will deepen. What will you do?

Miklosko responds: "It is clear that certain problems exist. This can be seen in the Assembly, when proceedings come to a dead end and a long period of discussion and talks follows. For me at this moment, I am faced with a truly fundamental problem, which is whether we will, in some way, preserve democracy, whether we will uphold it. Some fundamental changes, some kind of chaos, could result with the breakdown of this KDS-VPN coalition prior to the elections, which would, in my view, be fatal and very tragic for the whole of future development in Slovakia. We simply must not allow it. As far as I can, I will contribute to ensuring that this coalition does not fall apart, that in the same way it finds a common language for at least the one year, because it is truly in the interest of Slovakia. It is in the interest of economic stability, and I am convinced that perhaps the national aspect is in the tension between VPN and KDS, that the national aspect is being given excessive weight. I am convinced that this national problem should be dealt with now, but I think it is very risky to deal with it quickly, to deal with it rashly and at any cost and in any way."

In answering a question on his own political future, Miklosko replies that he is not prepared to accept any political decisions that are against the interests of Slovakia, but, equally, he has not appeared to accept anything that will not stand the test of time and that is not appropriate for the present. He says he can imagine a situation where he would be recalled from his post, but this is, after all, a part of democracy, and in Western countries politicians may leave political life and return at some later stage.

At 1011 GMT, Mjartin asks: "Mr. Fedor Gal has returned from Great Britain. In the one-hour discussion program on Radio Czechoslovakia, you said that he does not have the best experiences from his stay in Bratislava. In any event, it is unpleasant and uncivilized of the inhabitants of this city, but you did not reply to the question of what Mr. Gal will be doing. So far, he has refused to speak to journalists."

Miklosko adds: "I think that he has several possibilities. I cannot speak for him. I was asked whether he is going to come and work with me or not. We did not speak

about this, although I would not be worried, or rather I would have nothing against giving him some kind of job. In this sense, I feel myself to be a free man, but that was not the point at issue, as the question was badly asked. Yes, truly, Fedor Gal had problems before and has them now, and it is very sad."

At 1014 GMT, the interview ends.

Report Attempts to Clarify Arms Export Issue

AU0708092491 Prague MLADA FRONTA DNES in Czech 1 Aug 91 p 3

[Pavel Posuta report: "A Response to Our Queries"]

[Text] Last Saturday (27 July) on page 1 of MLADA FRONTA DNES we published a report entitled "It Was Omnipol, Not Pistols, and They Did Not Go To Yugoslavia." Today we can merely confirm that 2,000 automatic weapons and 4,823,000 rounds of ammunition produced in Czechoslovakia—and exported by Omnipol in a normal export procedure—were involved. To whom were they exported? The recipient was not Croatia, Slovenia, or even the Yugoslav Federal Army. It was the Republic of India....

This is the essence of the information we were given yesterday by Egon Lansky, federal Foreign Ministry press spokesman.

So, all the reports carried in the Belgrade dailies BORBA and POLITIKA were stuff and nonsense. It is sad that the Radio Free Europe program broadcast early on the evening of 30 July—and monitored by us—rather unsuccessfully quoted from our Saturday report.

Let us summarize the facts: On the nights of 22 and 23 July a shipment was stolen—by a thus far unidentified culprit—from the customs warehouse in the free trade transit zone in the port of Ploc (sometimes also called Kardeljevo) in Croatia. We should mention that this warehouse was, with all probability, under armed guard by—obviously—Yugoslav Federal Army officers (because this port is often used for similar "goods" and certainly not only by our exporters....) We should also mention that 2,000 automatic weapons and almost 5 million rounds of ammunition cannot be carried away in a suitcase.

Export formalities for the official Indian client had proceeded absolutely normally, including the regular and customary license from our Federal Foreign Trade Ministry [FMZO] in March and April. The shipment crossed the CSFR border at Komarno on 17 June (that is, almost 10 days before Slovenia and Croatia declared independence on 25 June) and made its way toward Yugoslavia where it was to have been transferred to the Indian customer's ship. The transit permit for Yugoslavia had been obtained by Czechofracht [a shipping company] in advance, of course.

This was a normal business deal in which, unfortunately, the Yugoslav events became entangled and which, even more unfortunately, was affected by the theft of the entire shipment. Omnipol and the FMZO—lamentably—made the entire affair more muddled by refusing to name the customer and clear up the incident. Thus, they hurled Czechoslovakia into a situation where it seemed that it was really supplying one or other of the sides in the Yugoslav conflict with arms.

The interesting thing is that the official Yugoslav authorities (federal authorities) informed our representative office in Belgrade on 24 July that the thief had been discovered and that the shipment would be returned. At the moment, we can merely speculate on who the thief is, whether it was the Croatian authorities or other persons who knew what was in the customs warehouse. It is simply regrettable that our institutions' silence, or semi-silence, has been grist for the mill of Yugoslav newspapers.

Our government's point of view on the export of weapons to Yugoslavia is clear: There is an embargo (viz. government decree No. 451 of 11 July and the FMZO's ban on transit shipment's across SFRY territory). Let us put aside the issue of whether the export of any kind of weapons to anywhere is moral or not. However, it seems that Omnipol's hands are clean this time. Some question marks have turned into decisive full stops, while other question marks have cropped up.

Chief of Staff Outlines Army Situation

AU0608134191 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 1 Aug 91 p 5

[Interview with Major General Karel Pezl, chief of the General Staff and deputy defense minister, by Jan Bauer; place and date not given: "Military Service for One Year Only"]

[Text] The Czechoslovak Army is currently coming to grips with a number of problems stemming from three factors. On the basis of the newly adopted and purely defensive military doctrine, the Army is being reorganized and redeployed with the aim of achieving a balance in the number of troops deployed throughout the Republic. Furthermore, the Paris treaty on limiting conventional armed forces in Europe imposes upon us a sizable reduction in combat technology. This is extremely demanding from an organizational point of view. Finally, the Army is having to grapple with considerable economic difficulties. This year's defense budget amounts to only 26.5 billion korunas, that is, just under 70 percent of the 1988 budget. We interviewed Major General Karel Pezl, chief of the General Staff and deputy defense minister, on all these issues and on some others:

[Bauer] Major General, how has Army redeployment progressed?

[Pezl] We are still at the very beginning. That is, we are now taking the first specific steps since making the actual decision and implementing the orders, technical measures, and preparatory work. These steps immediately concern increasing defense capability in the eastern part of our state. Local military units will be transformed from exercise and training units into combat-ready units. This will significantly alter their organizational structure. The military technology provided and the complement of men and commanders will be increased. Air defense throughout the eastern region will be strengthened by transferring some anti-aircraft and missile units and by deploying a limited number of aircraft. Unfortunately, we come up against a certain contradiction here: we need an air defense, but—judging by the population's reaction—no one wants aircraft anywhere. However, this defies general operational plans for the state's air defense.

[Bauer] You are meeting with resistance to military airfields, are you not? In this connection, how is the Army being received by the population in the new garrison towns?

[Pezl] I would be very pleased if it was accepted everywhere in the same way as Army bands. At the moment, wherever we have to break up or relocate them, we are flooded with complaints that the town cannot do without an Army band. However, as far as the Air Force is concerned, we are coming up against the problem of noise associated with its operation. Therefore, we are trying to establish an operational regime that would not disturb the civilian population's peace and way of life so much: for instance, by restricting flights after certain hours. Unfortunately, we have to train the Air Force for combat activities during the night as well as during the day. This meets with numerous protests. At the moment, we are trying to deal with this in various ways, such as conducting overflights and exercises in different areas that are not so ecologically and socially burdened. Of course, if the situation were always to be like this, it would lead to a reduction in our pilots' ability.

[Bauer] The lower defense budget is, in any event, leading to a reduction in the number of training flights and in the amount of combat technology conveyed to exercise areas.

[Pezl] I hope these are not lasting problems. The practical training possibilities for our pilots currently amount to roughly one fifth of the possibilities offered to top pilots abroad. A mere 50 flying hours per annum is almost an intolerable minimum, especially with such demanding aircraft as the MiG 29.

[Bauer] The Paris treaty tasks us with reducing our combat technology by roughly 50 percent. Preparations are under way to reduce the size of the Army by 50 percent. At the same time, we have no resources for modernizing our armaments. Under these circumstances, could our defense force act as a sufficient deterrent against a potential enemy?

[Pezl] In our country, we do not talk about acting as a deterrent. This would be setting ourselves too great a task. However, under the given conditions, our Army must be capable of mounting a sufficient defense. Incidentally, these conditions are not only applicable to us, they are also applicable to our neighboring states because we are not the only country subject to the Paris treaty on limiting conventional forces in Europe. This reduction in armaments throughout a region extending as far as the Urals reduces the risk of a sudden attack. Anyone wanting to establish their desired superiority would first of all have to carry out a number of measures and, consequently, there would be sufficient time for the necessary reaction. Therefore, within the framework of our defense doctrine, we not only have to implement the reorganization and redeployment of our units, we also have to carry out intelligence activity to make sure that we have enough time to decide how to adequately react to a possibly dangerous situation. We cannot be equally strong everywhere, but we will be strong where it is necessary and we will be strong within the scope of our state's resources.

[Bauer] Just under a year ago there was a great deal of talk about the intention to construct a professional Army. However, not much has been said about this in recent months. Why? Will we professionalize the Army or not?

[Pezl] Professionalizing the Army was an inadequate way of expressing a certain trend leading—sometime in the future—toward a professional Army of the kind, for example, found in Canada, the United States, or Great Britain. However, in our country, we must understand this trend merely as a process in which the number of soldiers will be further increased in specific professions. They will carry out highly-qualified work on the basis of a specific undertaking. The scale of economic inputs and outputs is a criterion for this— that is, how much I have to invest in a specific individual to ensure that he effectively maintains a certain defense system for me for a specific period and whether this is economically more suitable and more acceptable to the Army. Professionalization as a system is quite demanding in the sphere of social guarantees. This does not only involve certain prerogatives during the period when the above-mentioned individual is fulfilling his duty, but also during the period following its successful fulfillment and his departure into civilian life. The current economic crisis situation in our Army only enables us to increase its professionalization in relative terms. This is manifested by reducing the absolute number of soldiers and maintaining the number of professionals. They will operate everywhere work demanding high technical qualifications is involved, such as servicing missile systems, radar equipment, communications equipment, aircraft, and so on. As of 1993, when we transfer to a 12-month period of basic military training, we will not be able to train a specialist in such a short period and still make use of him. Therefore, we will need more professionals.

[Bauer] That is, our policy will be an army of conscripts with 12 months basic service?

[Pezl] Yes. That is, I think, the outlook for the next 20 years.

Switzerland Asked To Extradite Investigator Zak

AU0608112891 Prague CTK in English 1220 GMT 1 Aug 91

[Text] Prague Aug 1 (CTK)—Czechoslovakia officially asked Switzerland yesterday to extradite police Captain Alexej Zak, former investigator in the "Slusovice case" who has gone into hiding abroad, the Czech Justice Ministry informed CTK today.

On July 29, the Brno-based Military Court issued a warrant for Zak's arrest. The spokesman for the Chief Military Prosecutor's Office (HVP), Jan Dubensky, told CTK then that the HVP would request through the Czech Justice Ministry that the Swiss authorities arrest Zak on the basis of the warrant.

Since no extradition agreement exists between the two countries, the decision to return Zak to Czechoslovakia rests exclusively with the Swiss authorities.

Zak is wanted on counts of abuse of the powers of a public official, blackmail, and restricting personal freedom.

In September 1990, Zak was appointed to investigate Slusovice, a farming cooperative in south Moravia that was exceptionally prosperous under the communist regime, allegedly due to its links to the party.

Zak was recalled from the case in March 1991 for alleged abuse of the powers of a public official, for which he was investigated by the Czech Ministry of the Interior.

On July 18, the Swiss weekly WELTWOCHE wrote that Zak together with his family had secretly crossed the Swiss border.

Two days later, the Czechoslovak independent daily LIDOVE NOVINY said Zak went to Switzerland "out of fear for his life".

Representatives of the "DAK MOVA Bratislava" company today gave journalists a statement presenting their side of the story involving Captain Alexej Zak, the investigator of the "Slusovice case".

DAK MOVA Bratislava, registered in the Slovak capital, is one of Slusovice's heirs.

According to the statement, when Captain Zak attacked exclusively members of "DAK MOVA Bratislava", neither government officials nor the Czechoslovak parliament considered it necessary to refute his charges as they were in accord with the planned scenario for the company's liquidation. It was only after an article appeared in the Swiss weekly WELTWOCHE on July 18, mentioning certain government officials (Czech Premier Petr Pithart and Federal Deputy Premier Pavel Rychetsky), that the attacks were condemned.

The statement says the meeting called by Czechoslovak President Vaclav Havel to clarify the investigation into the Slusovice case, to which Zak was also invited although he was no longer in charge of the investigation (he was recalled last March for blackmail) showed Zak had been manipulated. DAK MOVA and other citizens began to be harassed by former secret police (StB) members with whom officials are cooperating, the statement continues. The investigation has failed to prove the charges against DAK MOVA. It will take some time to resolve the case, which is also indicated by Pithart's recent statement that the investigation will last for at least one year, the statement said.

Czech Minister of the Interior Tomas Sokol in his interview with CTK stressed that "Captain Zak made a mistake, to put it mildly, and the legal point of view rules out his further participation in the case".

Zak became involved in personal conflicts with some of the people under investigation, so his unbiased attitude cannot be guaranteed, Sokol said.

He denied that the charges which have been brought against Zak (abuse of power, blackmail, and restricting personal freedom) were politically motivated.

Correction to Conflicting Views on Zak-Slusovice

AU0608090291

The following correction pertains to the item headlined "Conflicting Views on Zak-Slusovice Reported," published in the 6 August East Europe DAILY REPORT, pages 10 and 11:

Page 11, column one, paragraph six, last sentence make read: ...as a free man and for him to resume the investigations of the Slusovice case.... (replacing editorial note)

Economic Effects of CEMA's Collapse Assessed

AU0608184791 Budapest UJ MAGYARORSZAG in Hungarian 1 Aug 91 pp 1, 5

[Laszlo Doczy report: "The Effects of CEMA's Collapse"]

[Text] The Central Statistical Office [KSH] prepared a study on the economic effects of the collapse of CEMA. The KSH attempts to calculate which economic changes between 1986 and 1990 can be exclusively attributed to the changes of trade within CEMA. The study is based on a series of model calculations that applies figures to the accumulated effects of the collapse of the CEMA market and the effects that rippled through the whole economy.

Our ruble exports decreased by nearly 30 percent between 1986 and 1990, and most of this materialized in 1990, the last year of this period. Concurrently with the ruble export decrease, our trade with these countries accounted in U.S. dollars even increased somewhat, although its proportion did not reach 20 percent of the trade within CEMA, even in 1990. In total, a 25 percent drop in the amount of goods exported from Hungary to this group of countries was the combined effect of the two reverse processes. According to all indications, this process further accelerated in the first months of 1991, and exports fell by a further 18 percent in the first quarter of 1991, compared to an already low basis.

Our engineering industry, mainly vehicle manufacturing, was affected most severely by the collapse of the CEMA market. The exports of this industry almost halved, and one-third of the export reduction of the whole economy occurred in this area in the four-year period. Our telecommunications and vacuum technology also lost huge markets. Wine production and the canning industry also found themselves in a catastrophic situation; their export reduction was 60 percent and 40 percent respectively. The situation of these industries is made grave by the fact that they were based on the CEMA market. For example, half the transport vehicles and two-thirds of the products from our wine industry were purchased by the Eastern European market in 1986. Some industries increased their sales at the same time. Among them, the 27 percent increase of pharmaceutical exports was outstanding. One-third of this increase—equivalent to some 1 billion forints—was paid for in U.S. dollars. The production of plastics and chemical fibers and the meat and dairy industries were also successful until 1990, and a greater part of their excess trade was also paid for in U.S. dollars. This year, the position of the pharmaceutical industry and the meat industry has become uncertain due to the payment problems of the Soviet Union.

The results of model calculations prove that CEMA's collapse affected our national economy much more seriously than direct losses of production due to reduced trade. By multiplying on the market of the supplying industries, the drop in production effects all industries of the national economy, including the original industry itself. Therefore, in total, a 100-forint drop in exports reduces demand for gross production by an average 197 forints in the national economy. However, in the case of wine production, canning, poultry and egg processing, and vegetable oil processing, the same 100 forint export reduction is equivalent to some 300 forints drop in demand. Among the industries that have increased their exports, meat and dairy industries increase the demand for gross production the most.

The reduced export to the CEMA countries has different effects on the various industries, and it is not proportionate to the reduction of the industry's own export. While demand for final product manufacturing hardly depends on the exports of other industries, raw-material manufacturing depends upon it a great deal. To mention some extreme examples: public road and town transport, paper industry, and other material production; demand for their production decreases in spite of the increase of their own exports.

Due to the loss of exports, demand for gross production fell mostly in the manufacturing of vehicles (27.5 billion forints), engineering (11.3 billion forints), and finally, in telecommunications and vacuum technology (107 billion forints) [figure as published]. Demand for production only rose in a few industries, for example in pharmaceuticals, meat, dairy, plastic raw-materials, and chemical fiber, by between 1.2 and 3.6 billion forints. In the case of certain industries, the reduced demand for production may result in an almost catastrophic collapse, if the respective industries cannot find an alternative market for their products. The KSH's model indicated a reduction of over 10 percent in the case of 12 industries. The most striking decreases are shown in wine production (50 percent), vehicle manufacturing (28.5 percent), telecommunications and vacuum technology (17.2 percent), shoe manufacturing (17 percent), and metallurgy (15.8 percent).

A decline of production is concomitant with a reduction of the number of people employed, which was calculated in the study for blue-collar and white-collar workers, taking the specific labor requirements of various industries into consideration. According to the model calculations, the most lay-offs are expected to be in the following industries: vehicle manufacturing (26,200 people), engineering (17,000 people), telecommunications and vacuum technology (15,600 people), and metallurgy (10,000 people). The calculations show that the employment of some 156,000 fewer workers is justified by the collapse of CEMA. Approximately two-thirds of this can be attributed to export reduction in vehicle manufacturing, engineering, and telecommunications and vacuum technology.

The effects of the loss of imports accounted in rubles can be calculated on the basis of more than one hypothesis. The study examined the size of reduction in production and final consumption that would have been brought about by the reduced imports if the lost imports had not been replaced from other sources or by other means. The result was that a 190-forint import reduction [figure as published] would

attract approximately a 200-forint production decrease and a 100-forint final consumption decrease.

The reduction of imports of carbohydrates is highly significant because they would have been missing from production in the absence of replacements. The canning and pharmaceutical industries have increased their imports, although, in spite of this, they have to expect reduced production as a result of the fall in production of their suppliers due to their reduced imports. The electric energy industry considerably increased its imports, and it also increased its capacity [kibocsatasi lehetoseg] to the largest extent.

In the conclusion of the KSH's calculations, the 62 billion forint reduction of our exports to CEMA between 1986 and 1990 produced the following global results: We would have had to reduce gross production by 120 billion forints, imports accounted in U.S. dollars by 10.6 billion, the required number of blue-collar workers by 112,000, and the required number of white-collar workers by 44,300, if no alternative markets had been found and if we also excluded the change (increase) of stocks.

As a result of the 38 billion forint fall in ruble imports, theoretically, the possibility of gross production fell by 77.4 billion forints, supply for consumption fell by 19 billion forints, supply for investment fell by 5 billion forints, and export supplies fell by 13.8 billion forints.

According to those who produced this model, it might become suitable to disclose the most sensitive points of our dependency on CEMA that still exists and is two-directional; thus, the model can make it easier to make decisions on the necessary regrouping of resources.

Contributions to Unemployment Fund To Begin

AU0608115291 Budapest NEPSZABADSAG in Hungarian 31 Jul 91 p 5

[MTI report: "New Deductions From August"]

[Text] As of August, a 0.5 percent solidarity deduction will be deducted from gross incomes. According to the Employment Law, this contribution initially applies to July incomes, but because July salaries are paid in August, the deductions will also start in the month of August.

No personal income tax will have to be paid on these contributions. The tax authorities will collect the contributions and transfer them to the Solidarity Fund for the Unemployed. Employers will also pay a 1.5 percent contribution (calculated on gross salaries) into the fund. The fund started operating with a 9 billion forint contribution from the budget, but it is hoped that future expenses will be financed through contributions from employees and employers, in accordance with the insurance principle. The fund hopes to receive some 6 billion forints in contributions this year. However, despite contributions from other resources, this sum will not be sufficient to care for an estimated 300,000 unemployed in Hungary, so requirements can only be met if budget contributions are made, if the employment law is modified, if contributions are raised, or if benefits are lowered.

Following a request from Hungary's trade unions, the government has agreed that enterprises can counterbalance the employees' 0.5 percent contributions through a tax-free pay raise (within the framework of wage regulations).

Officials, Press Comment on Yugoslav Crisis

LD0608101291 Budapest MTI in English 0714 GMT 6 Aug 91

[Text] Budapest, August 6 (MTI)—Hungarian papers attach special importance to developments in Yugoslavia and the failure of the attempts by the EC delegation to mediate between the sides. The articles also evaluate prospects for a peaceful settlement of the conflict.

In the August 6 issue of the Hungarian daily, NEPSZABADSAG, Deputy State Secretary of the Hungarian Foreign Ministry Imre Szokai outlines Hungarian views on the Yugoslav crisis.

To a question as to what possibilities there are to prevent the escalation of the crisis now that the three foreign ministers representing the EC and the countries of the Helsinki process have qualified attempts at mediation a failure, Szokai said:

"It is obvious that there are still other diplomatic means to use. First of all, Yugoslavia should realize that no problems can be solved by armed violence. This realization requires reason on the part of Yugoslavian political forces. Let me refer to a recent Hungarian proposal, the essence of which is that the use of armed force should be banned in the case of internal conflicts. If such an initiative is accepted by the member states of the Conference on Security and Co-operation in Europe (CSCE), it will help resolve the conflict in Yugoslavia, too.

"At the same time, countries of Europe and the United States do have means by which they can encourage political factors of Yugoslavia to seek a peaceful solution through negotiations. Beside bilateral contacts, the opportunities of the CSCE should also be used. Hungary conducts several consultations on the issue."

Q: What can Hungarian diplomacy do in its given scope of movement?

A: "Hungary has to use all political means to prevent a total civil war in its neighbourhood. To achieve this aim,

Hungarian diplomacy will use its ties established with the Federal Government of Yugoslavia and the leadership of the republics."

Also in the Tuesday issue of the Hungarian Daily NEPSZABADSAG, spokesman of the Hungarian Foreign Ministry Janos Herman confirmed that the body established by the CSCE, a committee of leading officials is to meet in Prague during the week to discuss developments in Yugoslavia. An official of the Hungarian Foreign Ministry will also be present at the meeting. The sides are expected to discuss the resolutions accepted by the session in early July and the possibility of expanding the activities of observers to other armed forces beside the army. The diplomats will probably discuss a proposal on sending a goodwill delegation to Yugoslavia.

In its editorial, the August 6 issue of the Hungarian daily MAGYAR NEMZET, refers to the fact that there have been articles in the Yugoslavian press recently reproaching Hungary in connection with the Yugoslav crisis. According to certain Yugoslavian papers, Germany, Austria, Hungary, Czechoslovakia and Bulgaria are interfering with Yugoslavia's internal affairs, extending political and material support to republics wanting to secede.

"It is not the first time Hungary is a target of reproaches from Belgrade, neither is it the first rejection of reproaches. Last time, it was the spokesman of the Hungarian Ministry of Defence who qualified Yugoslav press reports on 30 Slovenian pilots flying MiG fighter planes from Hungary to Yugoslavia as groundless. A week ago, the Hungarian Foreign Ministry also rejected charges that Hungarian weapons have been delivered to Yugoslavia through Bulgarian ports.

"The Hungarian Government has repeatedly confirmed its position. A peaceful solution to the Yugoslavian conflict, one that meets the needs of nations and nationalities living there, is in the interest of our country as well. Armed fighting, or, in the worst case, a civil war at our southern borders would be very dangerous, causing damages to Hungary. We do not want to see bloodshed among the Serbian, Croatian and Slovenian population and it is also our basic interest that peace be restored and our relations with the people of Yugoslavia develop again," the MAGYAR NEMZET, editorial says.

Fur Views SFRY Relations

LD0708085691 Budapest MTI in English 0807 GMT 7 Aug 91

[Text] Budapest, August 7 (MTI)—"As Yugoslavia has not repeated its invitation, our bilateral consultation is unlikely to take place in the near future. At present, there is no cooperation agreement in effect between the two armies. Due to the current cool silence, even the military contacts based on partial agreements have been suspended," Lajos Fur, Hungarian minister of defence, said in Wednesday's NEPSZAVA. Fur was invited by the Yugoslav military leadership last December but the visit was postponed at that time.

"On our part, we kept stressing our preparedness to hold talks on Hungarian-Yugoslav military cooperation at any time and at any place. Unfortunately, Yugoslavia has not yet reacted to these initiatives," the defence minister said.

Concerning the conflicts between the East European nationalities and the security of the region, Fur said:

"Unfortunately, Eastern and Central Europe are not catching up with the Western part of the continent at an appropriate pace. Nor is the age of everlasting peace likely to set in in this region in the near future. The Soviet troops withdrawal brought upon a change in power relations, and the East Central European region is now dominated by an atmosphere ot threat. In this unstable world, it is even more important for the armies of the neighbouring countries to cooperate more closely."

In reply to a question, Fur confirmed that Yugoslav helicopters and aircraft had violated Hungarian air space repeatedly.

"Such incidents have been unprecedented for some years. In the wake of the incidents, the defence ministry lodged two protests to the Yugoslav military attache. The Foreign Ministry summoned the Yugoslav ambassador and asked him that Yugoslavia should stop these actions, because these incidents, either deliberate or not, will not do any good."

Concerning the Hungarian Army's reaction, Fur said:

"We plan to concentrate our technical monitoring systems on the areas where there is a danger of border violations. This does not mean that we have abandoned our planned concept of defence. This step is only aimed at increasing the efficiency of the radio location systems".

Bielecki, FRG's Ruehe Discuss Ties With EC

LD0608153291 Warsaw PAP in English 1504 GMT 6 Aug 91

[Text] Warsaw, Aug 6—Christian Democratic Union [CDU] General Secretary Volker Ruehe said he and prime minister Jan Krzysztof Bielecki on Tuesday discussed prospects for Poland's association with European Communities.

Ruehe said he deemed it very important that the negotiations on this question should be successfully completed still this year. He found it important for Poland because of the breakdown of her trade with the USSR and for the success of Polish economic reforms.

Ruehe added he also touched on economic and cultural cooperation in its regional aspect and the German minority in Poland. On behalf of his fellow-countrymen, he voiced gratitude to Polish authorities for meeting the needs of these people in cultivating and teaching German, propagating their culture and religious life, although the latter issue was within the powers of church authorities.

The CDU general secretary said his party supported all these forces in Poland that came out for reforms and pursued a courageous policy of financial stability.

Foreign Ministry Spokesman on Weapons for SFRY

LD0608141291 Belgrade TANJUG in English 1205 GMT 6 Aug 91

[Text] Warsaw, August 6 (TANJUG)—Press spokesman for the Polish Foreign Ministry Grzegorz Dziemidowicz said today that his country was "not delivering weapons or spare parts" to Yugoslavia "at present."

Dziemidowicz told TANJUG that reports in the Warsaw daily GAZETA WYBORCZA about shipments of weapons to Yugoslavia contained "incomplete and imprecise information."

The Warsaw daily, quoting sources close to the Foreign Ministry, reported in a front-page item that "Poland has not called off the realization of contracts on arms shipments to Yugoslavia" and that several Polish firms were still delivering weapons as "spare parts."

The daily specified that this was the realization of a four-million-dollar contract on deliveries of "spare parts" for weapons.

Dziemidowicz underscored that this contract had been signed before the outbreak of conflicts in the Yugoslav republics of Croatia and Slovenia and that the first deliveries had been planned for the autumn. The Polish authorities have yet to consider whether the realization of this contract will take place at all, he added.

The Warsaw daily claims that the "leaders of 12 countries of the European Community (last week) approached the Polish authorities with a secret recommendation to abort the realization of these contracts." The authorities in Warsaw, the daily adds, would like to accept this recommendation, but a breach of contract would bring damages which the state budget would not be able to compensate for.

Government Halts Arms Supplies

LD0608183691 Warsaw TVP Television Network in Polish 1730 GMT 6 Aug 91

[Text] Work on budget for the second half of this year is continuing, Andrzej Zarembski, government press spokesman said. The final draft should be ready next week, and should be discussed by the Sejm in August. The Council of Ministers introduced amendments to custom tariffs in force from 1 August, by abolishing duty on books, press, music and maps. The government also adopted a draft law on foreigners which introduces a refugee status. A decision on granting such status is to be taken by the minister of internal affairs in consultation with the minister of foreign affairs. The draft provides for detention of up to 90 days of a foreigner who violates Polish law.

The Council of Ministers approved changes in social security regulations. Contributions by persons employed on the basis of temporary agreement and commission agreement are also to be paid by private businesses. The penalty for not paying social security contributions will be increased to 1 million zlotys. The government also approved a draft on setting up a treasury inspection. A general inspector will be under the finance minister's authority.

The Council of Ministers has taken a decision on stopping military equipment and munition supplies to Yugoslavia.

[Begin recording of unidentified speaker] The decision is not aimed against the Yugoslav state. It was taken above all on humanitarian grounds. It is aimed at preventing further bloodshed in Yugoslavia. The decision will be in force until further notice, and can be changed only by the Council of Ministers. [end recording]

Ministers Discuss 'Financial Surveillance'

LD0708043391 Warsaw PAP in English 2154 GMT 6 Aug 91

[Text] Warsaw, Aug. 6—The Council of Ministers continued debate on corrections to this year's budget law, government press office said on Monday. The Council discussed a system of financial surveillance that would react quickly and efficiently in cases of tax evasion. A respective draft law also provides for a "tax intelligence" structure which would get and collect information about the incomes, turnovers, and capitals belonging to the tax payers suspected of failure to pay taxes. In connection with the tragic developments in Yugoslavia the government introduced an embargo on arms supplies to that country. This decision is in line with the Western world's

standpoint and with the spirit of CSCE initiatives. The minister of internal affairs informed the Council about the growing crime rate in Poland and, consequently, an urgent need for new regulations on granting gun licences. The government also proposed improvements to the Polish immigration law to clarify the situation of foreigners entering this country, facilitate the asylum procedure and deportation if necessary. The ministers also decided to suspend collection of customs duty from imported books and periodicals until the year end.

Balcerowicz Views Economic Situation

LD0608221291 Warsaw Radio Warszawa Network in Polish 1700 GMT 6 Aug 91

[Text] The immediate future involves the political and economic situation in Poland after the elections. Deputy Prime Minister Leszek Balcerowicz, during a seminar today organized by the Economic Education Foundation, answered questions from economic journalists from throughout Poland and tried to answer questions about the future.

[Begin Balcerowicz recording] I will say frankly that there is great uncertainty about what will happen after the elections: whether one of the elementary conditions for conducting a consistent economic policy will be met, namely a stable political situation. This is something that disturbs me personally, to be honest. Last year, I thought firstly that Poland needs a just-past-the-post electoral system or a mixed system; it happened otherwise. Secondly, I thought that the elections should be held as quickly as possible. In January of this year, when I made the final decision to participate in this government, I assumed—[words indistinct] the majority of this government made similar assumptions—that the elections would be in May at the latest. (?Our idea was) for the period that by its nature brings instability to a country, particularly to a country in such a difficult period of transformation—the election campaign—to be as short as possible. Well, it happened otherwise. (?That's life); we have so simply come to terms with it.

As for things that I regard as permanent, i.e. not dependent on (?circumstances), I think that [words indistinct] we will have good supplies for the market, that the lines will not return unless someone introduces price controls. One can say that there is one thing that will bring back the lines: introducing price controls. But I do not think that, in the worst case, there would be somebody who would come to that sort of conclusion and try to cope with the impasse through price controls.

I do not think the whole market infrastructure will be reversed. Nobody will reverse the privatization of shops or the privatization of services. There will be no reversal either, I think, of basic legislation (?that has been passed), [words indistinct] Privatization Act, Insurance Act, Securities Act, and the stock exchange. Nobody, I think, will repudiate the reduction of debts. [end recording]

Finance Ministry Suggests Budget Changes

AU0608115891 Warsaw GAZETA WYBORCZA in Polish 31 Jul 91 p 3

[Alina Bialkowska report: "A Deficit of 24 Trillion"]

[Text] At the Council of Ministers's session on 30 July, the Finance Ministry suggested changes to the state budget for the second half of 1991. Budget income would be cut by 62.3 trillion zlotys [Z], budget spending by Z42.5 trillion, and the final budget deficit would amount to Z24 trillion, against an original figure of Z4 trillion. The Council will probably reach a final decision on 6 August.

Wojciech Misiag, vice minister of finance responsible for the budget, told us that the biggest problem is the receipt of income tax. This was supposed to provide the budget with Z121 trillion, 40 percent of all budget spending, but now the amount of tax entering the budget will only be half that amount.

Budget income during the first half of the year was Z98 trillion, only 34 percent of the amount envisaged for 1991.

"The collapse of trade with the USSR has cost the budget between Z30 trillion and Z40 trillion," said Misiag.

However, income from customs duties is higher than expected. It was supposed to be Z9.6 trillion for the entire year, yet it is expected to exceed Z10 trillion in the second half of the year alone. Tax on overtime and on economic activity in the private sector has also boosted budget income.

Misiag refused to say in what way the structure of budget spending might change. All we know is that there will be considerably greater outlay on social security benefits (some people say as much as 30 percent), and that "there should not be any pay increases in the budget sphere." There are also plans to reduce the size of the fund out of which farmers could obtain credits on preferential terms.

Misiag added that repayments of our foreign debts have been reduced by a larger amount than was expected (by several trillion zlotys), and that this money will remain in Poland. The Finance Ministry believes that the influx of foreign credits to the Polish economy should be about Z1.5 trillion greater than the outflow of hard currency from Poland.

The changes in the budget are based on the assumption that inflation in the second half of the year will be 11.5 percent and that the profitability of enterprises will increase from 10 to 13 percent.

"Profitability should increase thanks to the stabilization of production and a reduction in manpower," said the vice minister, adding that the budget situation improved in July, and that the influx of income tax "improved."

Asked in what way the insolvency of enterprises will affect the budget, Misiag said: "Bankrupt enterprises do not pay tax anyway, so there should be no greater trouble."

Misiag believes a budget deficit of Z24 trillion is still "acceptable" to the IMF. Let us remind our readers that the government economic program has been approved by the IMF, and the budget is the most important criterion by which the IMF assesses the program's implementation.

Sejm Deputy on Vetting Former SB Collaborators

PM0708082591 Lodz GLOS PORANNY in Polish 25 Jul 91 p 6

[Interview with Sejm Deputy Andrzej Kern by Henryk Sroczynski; place and date not given]

[Text] [Sroczynski] Last week the Senate approved an act instructing the government to establish whether any former employees or "voluntary collaborators" of the Security Service [SB] and military counterintelligence are running as candidates for the new parliament. What is your opinion of the act?

[Kern] This is a very difficult matter and I must admit that my assessment of the act is not yet final or unequivocal. Of course, on the whole I believe that persons who collaborated with the SB in any way should not hold any public office now. In this respect there is a consensus between all who are concerned with the moral character required of persons holding parliamentary seats and high public office positions in the state. On the other hand, I am not altogether convinced that information held by the Internal Affairs Ministry [MSW] is really sufficient to ensure competent vetting of people who collaborated with the SB in the past.

[Sroczynski] What are your fears based on?

[Kern] I had an opportunity to read a confidential instruction issued in 1982 by the MSW vice minister, with recommendations concerning the recruitment of secret services collaborators, taking reports from them, and subsequently eliminating this kind of evidence of collaboration. Therefore, the only proof that such collaboration had taken place would be the evidence of the SB case officers responsible for the "care" of such persons and for the maintenance of contacts with them. At the same time, relevant instructions banned the recruitment of Polish United Workers' Party members as informers.

[Sroczynski] But there must have been other indications of suppressed information...

[Kern] To my knowledge, it has been ascertained that in several cases disciplinary proceedings were carried out at the MSW against SB officers for supplying fictitious names of nonexistent contacts and claiming money for them. This kind of evidence also undermines the credibility of existing sources. Finally, there is the possibility that fictitious evidence may have been fabricated against certain persons. Consequently, my opinion remains ambivalent when it comes to the real possibility of checking out former SB collaborators. Of course, in cases when the secret documents have not been lost, it is theoretically possible to trace the person through the handwritten statements he or she may have made on the SB officers' request. Comparative graphological analysis of handwritten samples makes it possible to ascertain authorship of the letter with 100-percent certainty. Let me also add that—judging by my own practical experience—the majority of those approached did not know that they could refuse to sign any statements. Some signed them in the hope of obtaining their passports and going abroad. Thus, I am rather pessimistic about the chances of ascertaining—apart, of course, in isolated individual cases—the real degree of certain citizens' involvement with the SB.

[Sroczynski] All the same, how can you make sure that parliamentary seats or other important offices are not entrusted to SB informers?

[Kern] I am in favor of a procedure whereby candidate parliamentary deputies, senators, or ministers would be required to declare that they had never collaborated with the SB. At the same time they could agree to undergoing a certain vetting procedure conducted on the basis of available information and materials. I think that this procedure would be rather of a preventive nature. Anyone who does not know what documents there are against him and who will find himself facing the threat of undergoing such a procedure, will think long and hard before agreeing to stand as candidate for any such office. Any potential candidate for the office of Sejm deputy, senator, minister, or another important public function, should submit a written declaration that he or she never collaborated with the SB and agrees to being security-vetted in this respect.

[Sroczynski] Can we expect that a Sejm act will be passed to this effect?.

[Kern] The Senate resolution on this matter is more in the nature of a political declaration. It is the Sejm which has the legislative power. The resolution will be submitted to the Sejm speaker, and the lower house will have a debate on it. If the Sejm so decides, a legislative decision will be made to determine the legal terms on which the relevant security vetting of persons suspected of SB collaboration should be conducted.

PNL Presents Political Program at Liberal Forum

AU0608143691 Bucharest ROMANIA LIBERA in Romanian 30 Jul 91 p 2

[Doina Popescu and Andrei Badin article: "Forum of Liberal Thought—Through Its New Political Program the National Liberal Party Becomes More Pragmatic"]

[Text] The proceedings of the Forum of Liberal Thought took place in Bucharest's Fantasio Hall at the end of last week. The new political program, formulated on the occasion of this forum, provides for a more effective response to certain questions on which the National Liberal Party [PNL] was accused of having a hesitant attitude.

Divided into five chapters, the program—in the form in which it was presented at the forum—is the result of cooperation between the central organization of that party and its local branches. From among the points of each chapter, we have selected the aspects that we consider relevant for the current orientation of the party and for its direct involvement in solving our country's problems.

In Chapter I—general policy—the PNL advocates establishing the form of government on the basis of a national referendum, to opt either for a constitutional monarchy or a parliamentary republic, but only after the public has been properly informed. It has to be stressed that many liberals favored ex-King Mihai. The PNL condemns the Ribbentrop-Molotov Pact, whereby Bessarabia, Northern Bukovina, and the Hertsa area were taken away from our country in an improper way, and pledges to struggle to right the harmful consequences of this treaty.

In Chapter II—on education, research, culture, and religion—emphasis is placed on private education and on education in the languages of our ethnic minorities.

In Chapter III—on economic policy, we noted the objective of making up for the wrongdoings of 1945 (unjust dispossession), granting ownership certificates in accordance with the contribution made to the economic prosperity of the country, obtaining foreign credits, creating a wage system that will provide an incentive to work, and creating a favorable legal framework for administrative decentralization and for eliminating corruption and bureaucracy. It was mentioned that the Land Law adopted by Parliament is not being observed by local authorities. The Law on the Privatization of the Economy drafted by experts of the National Liberal Party, in cooperation with Mr. Constantin Cojocaru, a doctor in economics, is also favored by other genuine or opportunist opposition parties, since it corresponds to the alternative law formulated by them. In conformity with the liberal doctrine, economic policy is obviously based on the principle of respecting and encouraging private ownership.

Chapter IV—justice, Armed Forces, public order, and administration—dwells on the checking role to be played by the judiciary within the framework of a state of law that observes the principle of separating state powers. The need to reorganize justice on the basis of competence and moral authority was stressed, and the idea that only the Supreme Court of Justice should check whether laws are not at variance with the Constitution was reiterated.

The presentation of Chapter V—health care, social and environmental protection, youth, and sports—offered an opportunity for self-criticism; the speakers emphasized that the party's links with working young people are unfortunately still just a desire.

The coordinator of the new liberal political program, which is characterized by neoliberal pragmatism tailored to Romanian realities, is Mr. Valeriu Stoica (lawyer, university staff member), who fulfills the function of party executive secretary. The speech made by Mr. Stoica, characterized by logical precision, subtlety, and accurate formulation, points to his qualities as a genuine liberal political leader. Some liberal circles are even spreading the idea that Mr. Stoica will be Mr. Radu Campeanu's successor at the helm of the party. The principle of the unity of the opposition, called for at a large street demonstration is—Mr. Stoica said—a difficult objective, but not impossible to achieve. Important steps have been made in this direction, so that during this fall's local elections, the united opposition—including the recently formed Civic Alliance Party—will run on the basis of common lists of candidates.

Senator Radu Campeanu emphasized that there are elements that separate the liberal program from the political programs of the other opposition parties: The liberal approach to the relationship between the individual and society, according to which the individual is sovereign while the state is to serve the individual, and the creation of a framework for the self-organization of individuals without interference from an external control center.

(For the National Liberal Party—editorial note) "the moment of realism and of telling the truth has come," Mr. Radu Stroe, party executive secretary, concluded at the end of the proceedings of this forum.

Young Liberal Leader on Party's Social Program

AU0608124691 Bucharest ROMPRES in English 0853 GMT 6 Aug 91

[Text] Bucharest ROMPRES 6/8/1991—The concept of social protection through property is ours, Mr. Dinu Patriciu, member of the Steering Committee of the Liberal Party-Young Wing, said in an interview to daily "DIMINEATA," specifying that, after their departure from the National Liberal Party, the new party elaborated the economic alternative to the governmental programme based on property, deep reform of economic

and administrative structures, reorganisation of financial and banking system, convertibility of the leu as premises of the transition to the market economy and not as a result. All these fundamental premises, Mr. Dinu Patriciu stated, represent what our alternative has in common with the governmental programme which has adapted to the concrete situation of the last months.

Referring to the way of applying the programme of social protection through property, Mr. Patriciu said: We think that to transfer a percentage from the national wealth is absolutely necessary to stimulate all citizens' reflexes of economic initiative. At the same time, we think the property over economically non-productive goods should be restored. [sentence as received] I refer mainly to dwellings and non-productive or poorly productive lands which have however touristic potential. Everything built after 1950 could be given freely or almost freely to their tenants. Everything built before 1950 could be given back to their former owners in the conditions of a law protecting the tenants. This would solve the question of the state's real estate fund and would be a special stimulus, because owners are dignified and responsible, the leader of the National Liberal Party-Young Wing considers.

Editorial Criticizes 'Attacks' on PNT-cd

AU0608124391 Bucharest DREPTATEA in Romanian 1 Aug 91 p 1

["DREPTATEA"- signed editorial note: "A New Diversion"]

[Text] Following the intransigent line adopted by the PNT-cd [National Peasant Christian Democratic Party] regarding the serious political, economic, and social mistakes of the current leadership, one can witness an increase in the attacks against our party that utilize gross fabrications and slanders. Even in our issue of yesterday, 31 July, we drew attention to the fact that the old Securitate is circulating various material purloined from the archives of the repressive institutions, the false content of which is presented as compromising evidence against our party and its leaders. The same goal is also followed by the pirate publication that calls itself "NEW DREPTATEA." The respective paper is printing—among other irresponsible aberrations attested by a watchmaker, a former common criminal with a record—an open letter addressed to the PNT-cd president that is full of lies and calumnies.

It is obvious that these concerted actions amount to a new campaign of diversion and an attempt to discredit the PNT-cd, the only force consistently opposing communism, neocommunism, and the totalitarian forces installed by the current political power.

[signed] DREPTATEA

Opposition Calls Vote 'Large-Scale Fraud'

AU0608125991 Bucharest DREPTATEA in Romanian 2 Aug 91 p 1

["Protest Note" by opposition parliamentary groups issued in Bucharest on 31 July]

[Text] Opposition parliamentary groups strongly protest the repeated violation of the Deputies' Assembly rules on voting legislative acts.

During the 30 July session, the composition of the Management Board of the National Bank was submitted to vote and endorsed by the Assembly through large-scale fraud. Although between 159 to 163 deputies were present in the hall, 262 bulletins were collected from the ballot box.

We do not contest the objectivity of the commission in charge of counting the votes, but we are obliged to point out this flagrant violation of the most elementary procedural norms for a secret ballot.

When submitted to a vote, the report worked out by the mediation commission on the privatization bill was adopted in the presence of approximately 140 deputies in the Assembly Hall.

On that occasion, the votes were not counted.

Consequently, we consider the result of the ballot legally null and void.

At the same time, we consider the massive absenteeism of the deputies belonging to the majority grouping not as a lack of discipline, but rather as a deliberate act of nonparticipation in the voting of this antinational, antidemocratic, and antipopular bill.

The undersigned political groupings further express their opposition to this bill that the executive tried to pass illegally and by resorting to pressure. The undersigned political groupings express the determination to use all legal means still available to them to prevent the ratification of this law by the President of the Republic.

The signatories are:

—The PNL [National Liberal Party] Parliamentary Group

—The PNT-cd [National Peasant Christian Democratic Party] Parliamentary Group

—The PER [Romanian Ecological Party] Parliamentary Group

—The FSN [National Salvation Front] "20 May" Parliamentary Group

—MER [Romanian Ecological Movement] Representatives

—Independents

—Daniela Aprodu Buruiana

—The PUNR [Romanian National Unity Party] Parliamentary Group

Bucharest, 31 July 1991

Balasoiu on Reorganization of Communist Party

AU0608124991 Bucharest ROMPRES in English 0827 GMT 6 Aug 91

[Text] Bucharest, ROMPRES 6/8/1991—A "national conference of the Romanian Communist Party" seems to be planned for the next autumn. At least this is what maintains in an interview with daily ROMANIA LIBERA Nicolae Ion Balasoiu, "chairman of the Central Statutory Commission of the Committee for the Reorganization of the RCP" [Romanian Communist Party]. According to the newspaper, Mr. Balasoiu has been an RCP member since 1941 and performed minor offices under the communist rule. He notes that "the RCP has not been banned, being in existence since 1945 and the political explosion of December 1989 led to its leadership's desertion and to the dissolution of its structures."

"We want to create political stability in the country," also states the respondent, mentioning that "the RCP Program and Statute stays in force with 12 amendments however, whereby political pluralism, multi-party system, state of law, mixed economy and religion are acknowledged. Likewise, the insignia of the RCP, the red flag with sickle and hammer and the member cards are retained."

Referring to possible alliances, Mr. Balasoiu states that "we contemplate the 'ROMANIA MARE' Party, or even the 'Civic Alliance Party.' We will get along well with all those who understand that the RCP is the party of the oppressed, of the needy people," states the alleged communist leader.

Trade Union Letter to Iliescu on Privatization

AU0708114691 Bucharest REALITATEA ROMANEASCA in Romanian 2 Aug 91 p 2

[National Trade Union Confederation letter to President Ion Iliescu]

[Text] Esteemed Mr. President: As you well know, the leaderships of trade union organizations that we represent have paid particular attention to issues regarding the privatization of our national wealth, being aware of the effect this process will have on the life of the more than 7 million employees in our country. The aim of our concern in this respect is to protect the economic and social interests of employees who are trade union members. We have, therefore, formulated concrete proposals, including a bill that was forwarded to Romania's Parliament on 10 December 1990. These proposals were also the subject of several meetings that we have held with you and numerous senators and deputies from across the whole political spectrum of our country.

We note that our concerns have not been taken into consideration by the government in the formulation of the privatization bill, nor by the Parliament in the process of adopting this bill.

In our opinion, the privatization bill adopted by the two chambers of Parliament is as unacceptable as it is antidemocratic, antisocial, and antinational for the following reasons:

1. It violates the rights of ownership that Romania's employees have toward the national capital accumulated—on the basis of their work—by the communist regime;

2. Through the sham sale, for symbolic capital, that already exists in the economy, this bill will ensure that the best and largest part of the national capital will become the private property of a privileged financial oligarchy at home and abroad;

3. The bill will contribute to the deterioration and underexploitation of our country's productive potential, to a reduction in the number of jobs, a reduction in incomes derived from working, and a reduction in the possibility of ensuring genuine social security for our country's employees and pensioners.

Bearing in mind the above points, and in conformity with your prerogatives, we ask you, Mr. President of Romania, NOT TO PROMULGATE the bill on the privatization of trade companies adopted by the parliament. RETURN this bill to the two chambers of Parliament with PROPOSALS FOR AMENDMENTS that take into consideration the economic and social interests of the millions of employees we represent and that take into account the following principles:

1. The entire capital holdings of trade companies should be transferred to a national fund that can be privatized (FNP) and that is administered by a body appointed and supervised by the Parliament; the nominal value of that capital should be set at the level of the assets at which the current trade companies were listed in bookkeeping records on 31 December 1989 and adjusted to the average growth rate of prices in the economy during the period prior to the entry into force of the privatization bill; the government should justify to the Parliament and to the nation the modifications in the nominal value of the capital during the aforementioned period; the entire FNP capital should gradually be sold to the domestic private sector at auctions, setting out from equal or higher prices than the initial nominal values as established above;

2. The five, so-called private ownership funds checked by the state should be replaced with genuine Mutual Private Funds (FMP) established in accordance with the provisions of Law No. 31/1990 and with international practice on the basis of the free association of citizens possessing money and ownership certificates, so that these funds may be used for buying and administering shares and other financial instruments that yield capital gains;

3. Issuance of ownership certificates and their gradual distribution free of charge, so all adult citizens in Romania, in addition to people with money, may buy shares and assets representing national capital that can be privatized; limiting the possibilities of buying shares and assets representing the national capital that can be privatized; limiting the possibilities of buying ownership certificates received by each citizen for a nominal value; reinvesting the entire amount of money achieved from the sale of FNP shares and assets, so the whole of this capital becomes the private property of our country's citizens on the basis of ownership certificates.

Bearing in mind that through the adoption of various criteria for the distribution of ownership certificates—equal for all adult citizens in our country, but varying according to the age and the length of service of different groups—close average results per family will be achieved. We believe that the essential thing is not the actual criteria, but the distribution of ownership certificates and enabling the citizens to buy—with ownership certificates and of their own free will—a part of the national capital that can be privatized and to manage it—in line with their individual know-how—either directly or indirectly with the help of specialized institutions—financial or banking institutions and so forth—that characterize the market economy.

4. Carrying out the privatization process on the basis of programs worked out by each trading company and on a national level, so the whole process proceeds in an orderly way and to ensure correct information and the active participation of our country's citizens in this process.

We want to inform you that on the basis of these principles, a concrete bill on the privatization of trade companies has been formulated—a bill that has been endorsed by numerous political formations—a bill that we are now forwarding to you.

1. Should this step not lead to a satisfactory solution, we will demand the organization of a national referendum, so as to enable our country's citizens to opt directly and knowingly for one of the two existing draft privatization bills.

2. Mr. President, we believe that this is a unique opportunity for you to prove, at home and abroad, that you are acting in the best interests of our country's democratization and that you are protecting the long-term interests of the Romanian nation.

[signed] National Trade Union Confederation, Alfa Cartel, Transtar, Hercules, 15 November, Fides, Conmas

Communique on Privatization, Agriculture Policy

AU0608175391 Bucharest REALITATEA ROMANEASCA in Romanian 2 Aug 91 p 4

["Communique" by the Trade Union Confederation of Workers in Agriculture and the Food Industry; place and date not given]

[Text] Examining the sociopolitical situation in our country and the development of events, the Trade Union Confederation of Workers in Agriculture and the Food Industry declares as follows:

1. Our Confederation is in solidarity with the position held by the seven trade union centrals at the 27 July 1991 meeting on the Draft Privatization Bill. Our Confederation views this bill as a political bill and not as a bill designed to democratize "our country's economic activity." We hereby express our trust in the good intentions of the presidency and our hope for a decision that will help overcome this impasse.

2. Government Decision No. 464 of 5 July 1991 on price liberalization in the agricultural sectors has been unable to unblock this sector. The Trade Union Confederation of Workers in Agriculture and the Food Industry continues to claim subsidies for agriculture (producers) from the state budget as an effective measure to ensure the social protection of the entire population and as an element of economic stability.

3. We express our disagreement with the electoral propaganda by the ruling party regarding granting ownership titles to farmers on the basis of Law No. 18/1991.

Our Confederation does not view this action as a just one in the interests of the tillers of the land, but rather as a measure to sanction the dispossession of farmers of the property that—from a legal point of view—has never ceased to belong to them.

Economic Decline in First Half of 1991 Reported

AU0708092991 Bucharest ROMPRES in English 0851 GMT 7 Aug 91

[Text] Bucharest, ROMPRES 7/8/1991—The review "TRIBUNA ECONOMICA" carries in its latest issue a survey of the Romanian economy in the first half of 1991 which reveals that industry's performance as a whole stands at some 83 percent of last year's performance in the same period. Quoting government sources, the survey shows that the industrial production level as influenced directly by the deficit of energy resources. The crude, gas, coal and electricity production is much below last year's level. The shortage of foreign exchange is responsible for the impossibility to compensate the reclining domestic production with imports.

The value of investments achieved in the first half of 1991 as compared with the same period of 1990 is 69.1 percent as a whole and 78.1 percent with building-assembly. In the same period, as many as 7,340 apartments were made available, by 14,359 less than in the same period of last year.

The arable land under crops on June 15, 1991 as 9,196.8 thousand hectares, meaning by 05.3 thousand hectares less than in 1990, mainly because of the starting of new vineyards, of lands that failed to be sown and of lands left uncultivated on purpose, for regeneration. Areas

under cereals were roughly at the level of 1989. A drop is recorded in the number of farm animals with the commercial companies of the State Agriculture Department and the cooperative farms at the end of June 1991 as compared with the same period of last year.

At the end of the first half of 1991, there were 19,491 commercial companies and 99 autonomous companies, with the process of transformation of the former units being under way. As many as, 651 commercial companies with foreign participation were registered in the first half of 1991 and their total number reaches 4,196, with a nominal capital of 11.31 million lei, including 191.7 million lei, the "TRIBUNA ECONOMICA" review also reports.

Stanculescu, Guse Testify at Timisoara Trial

AU0608203291 Bucharest ROMPRES in English 1750 GMT 6 Aug 91

[Text] Bucharest ROMPRES 6/8/1991—The criminal investigation conducted by the Supreme Court of Justice, Military Section, into the case of those involved in genocide and other crimes perpetrated in Timisoara in December 1989, continued, Tuesday, 6 August, with the hearing of other witnesses. The first session, that began at 1000 hours and lasted for five hours, heard the testimony of General (r) Victor Atanasie Stanculescu who, in December, 1989, as first deputy to the then minister of national defence and as head of the Army's Endowment Department, went to Timisoara together with other Army generals and high-ranking officials of the Ministry of the Interior and of the political leadership, on a fact-finding mission in connection with the situation reported as of 16 December and to reinstate order.

The witness stated that, from the information furnished to the Ministry of National Defence by the Army's Intelligence Department, it appeared that certain states neighbouring Romania were going to destabilise the situation at the border and, on such a background, trigger a revolt of the masses against Ceausescu's regime. This accounts for the fact, said the witness, that the minister of national defence decided to send to Timisoara his both first deputies, the latter being General Stefan Guse, who was also head of the General Staff. The witness showed that on the days of 17-18 December, the dominant image of what was going on in the streets of Timisoara was that of a foreign involvement and, according to the law of national defence, the Army and the Ministry of the Interior were duty-bound to act jointly to defend the interests of the state.

Asked who had ordered that fire-arms and live ammunition should be used, General V.A. Stanculescu answered: "Nicolae and Elena Ceausescu; the order had been then relayed for the Army by General Vasile Milea and for the Ministry of the Interior by Tudor Postelnicu (the then interior minister). Once on site, it was decided that guns should be used only with the observance of legal provisions."

In answer to the question who shot fire in Timisoara, the witness said: "As far as I know, fire was shot, in keeping with the regulations for the use of armament, by the Army, the forces of the Ministry of the Interior and of the Securitate, as well as by other persons, so far unidentified. The witness expressed his opinion that arms were used in self-defence.

Requested to pronounce himself in connection with the allegation of the former Timis County RCP [Romanian Communist Party] First Secretary Radu Balan that the witness had been the one that ordered fire in Timisoara, the witness firmly rejected the allegation and labelled it as false.

The second part of the today's session will hear witness General Stefan Guse.

Heard Tuesday as a witness in the trial of defendants charged with genocide and other acts committed in Timisoara in December 1989, General Stefan Guse averred that the Army had also fired during the then events.

He said that, while having asked the unit commanders who had been shooting and why it had been done so in Timisoara, they had reported they had ordered fire to the troops in their subordination, but only a warning fire as there had been no victims. They had reasoned that in their having thus allowed nobody to enter into the military units, to have access to technology and disarm the military. The witness specified that in the evening of December 17, alongside the National Defence Ministry troops, forces of the Ministry of the Interior had also used firing weapons. It is true, he said, I demanded the units in my subordination to cooperate with those belonging to the Ministry of the Interior, taking into account the defence dispositions made up of troops of the Ministry of National Defence and of the Ministry of the Interior.

As for the results of using fire he said no victim had been reported because they had used only warning fire.

General Guse also stated that during the Timisoara events there had been an attempt, in his opinion, to trap the Army, but it had failed.

Asked who ordered fire in Timisoara, General Guse answered: On December 17 Ion Coman rang me up and told me: Guse, I've received orders from Bucharest to open fire beyond question. From his words I understood that shooting was legally used.

In General Guse's opinion, those who acted in Timisoara and devastated it on the first days of the events were not Timisoara residents as it resulted from the talks he conducted with them.

Economic, Trade Agreements Signed With Moldova

AU0608193891 Bucharest ROMPRES in English 1815 GMT 6 Aug 91

[Text] Bucharest ROMPRES 6/8/1991—A ceremony was held Tuesday at the Cultural Centre in Chisinau [Kishinev] when an accord was signed on economic collaboration and commercial exchanges between the Government of Romania and the Government of the Republic of Moldova by Premiers Petre Roman and Valeriu Muravschi.

In the same framework, Minister of Commerce and Tourism Constantin Fota and Deputy Prime Minister and Minister of the Economy Constantin Tampiza signed an accord between the Government of Romania and the Government of the Republic of Moldova on the setting up of an intergovernmental commission of economic, commercial, technical and scientific collaboration.

The ceremony was attended by President Mircea Snegur, members of the Government of the Republic of Moldova, the visiting officials and numerous journalists.

We have traversed a difficult way toward signing this intergovernmental accord, President Snegur said in his address on the occasion. There were many obstacles inherent in the political conjuncture in the Soviet Union. But all the greater must our joy and satisfaction be as we have traversed this way with dignity and moderation, reaching a cornerstone today when Moldova and Romania have laid, through the singing of this document, the bases for a broad economic cooperation and intense commercial exchanges.

The accord is significant not only because we, as I have repeatedly asserted it, give priority to our relations with Romania but also because Moldova actually aims at integrating into the European states' community. In this context, I think the economic cooperation with the Romanian brothers will be of an invaluable help. We have known it and relied on it that especially today our traditional links and mutual respect will again be manifest, although in a not too distant past, the two countries, having the same culture, history and speaking the same language, were separated by barbed wire, Mr. Snegur said.

I am sure that the accord we signed today will help us fulfil our aspirations, President Snegur said in conclusion.

In his turn Mr. Petre Roman stated: I am glad and touched to be here, this highly exceptional event in the last 50-year history of these common lands of Romania and Moldova. That we could conclude today this accord of wide openness and scope means something very important has changed in the world, in Europe and in this geographical area we live in. This event is a consecration we call now natural but which, quite recently, seemed unnatural. It became natural and logical because we resumed a natural course that nobody has ever forgotten. This accord is a big step, maybe decisive for each one and together to make progress and achieve common prosperity.

It is easy to understand the specific significance of this accord. It means in fact that we do something tangible together and we do it well. We must assure both the Romanians in Romania and the Romanians in the Republic of Moldova that what we do is to their benefit, that this is an edifice apt to give them greater prosperity, that what we implement together is the right way, the way we should follow in full confidence.

Then the two premiers answered journalists' questions. They underscored that those documents were to mutual advantage, provided real possibilities for the setting up of joint enterprises both with private capital and with the participation of foreign firms.

Foreign Minister Nastase Visits Japan

WA0708143791

For reportage on the visit by Foreign Minister Nastase to Japan, including reports on his remarks on relations with Hungary, please see the Japan section of the 5 August East Asia DAILY REPORT and subsequent issues.

Federal

Mesic Fears Crisis Will Expand

AU0708095491 Vienna AZ in German 7 Aug 91 p 4

[Interview with SFRY Presidency President Stipe Mesic by Tessa Szyszkowitz in Belgrade; date not given: "The Crisis Will Expand"]

[Text] [Szyszkowitz] What steps are you now expecting from Europe?

[Mesic] The second round must be initiated, even including the UN Security Council, if possible.

[Szyszkowitz] Yet the Serbian government rejects UN intervention.

[Mesic] Of course it does, because then it would no longer be possible to present the situation in a one-sided way.

[Szyszkowitz] Is the Brioni Agreement still of any value?

[Mesic] The Brioni documents stipulate that a commission be set up to observe the development of the events in the areas of crisis, which is what we will do.

[Szyszkowitz] Do you see a chance to make the armed forces or the army end the hostilities?

[Mesic] It will be very difficult to stop the spreading of the crisis. After all, there are efforts to convert Croat territories into Serbian territories. It is also difficult to stop the fighting, which is why the crisis will expand.

[Szyszkowitz] Have you always been in control of the Army?

[Mesic] I never had any influence on the state army, but now we are trying to gain that influence. That is the way out of the crisis. Do not forget that until the day the Army took to the streets, only one person had died....

[Szyszkowitz] What is your opinion of possible border changes?

[Mesic] The borders cannot be changed.

[Szyszkowitz] Now as then you advocate a confederation of sovereign states. Do you think that the Slovenes are still interested?

[Mesic] Slovenia has always pursued its own special interests, just like the Croats. Nevertheless, all of them are in favor of an alliance of sovereign states. The only problem that might arise is that Serbia might become the dominating power in such an alliance.

[Szyszkowitz] What would Kosovo's role be?

[Mesic] Kosovo is part of Yugoslavia. Kosovo must be actively involved in the process of reshaping the country. However, at the moment this is not the case. So far, the Serbs have always spoken on behalf of Kosovo.

Jovic Claims Mesic 'Outmaneuvered' EC

LD0708095191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0842 GMT 7 AUG 91

[Text] Novi Sad, 7 Aug (TANJUG)—"We appreciate the EC's interest in seeing the situation in our country resolved in a peaceful way, but no one has the right to change decisions passed by Yugoslavia's legitimate organs. And when they failed in this, they declared their peace mission unsuccessful," Borisav Jovic, member of the SFRY Presidency, said in an interview to the Novi Sad-based DNEVNIK.

Jovic goes on to note that "the EC peace mission members were unable to fulfill any of their promises although we had warned them of this possibility when we talked about Stipe Mesic's election to the post of the SFRY Presidency President. We told them that both, they and we, would be outmaneuvered. And this has now happened," Borisav Jovic stresses.

In reference to the indications of possible sanctions against Serbia, Dr. Jovic insists that the EC is not clear enough about its stands on Yugoslavia's integrity on one hand and on the right to self-determination on the other.

"We must say that their definitions are very elastic. They stress above all the integrity of the country and the rght of the peoples to self-determination, and it is not clear which of the two is stronger. It seems that the view prevails that the problems in Yugoslavia should be solved in a peaceful way, which presumably also implies self-determination and secession in a peaceful way," Jovic notes, and adds:

"Our observation is that we are at a criticial point, or, to be more accurate, whether they recognize the soverignty of Yugoslavia or whether they do not recognize it. We simply cannot accept the way the Yugoslav crisis has been internationalized whereby they want all their proposals to be accepted at any price or they will take I do not know what other measures. I do not know what other measure they may take, but to me this smacks somewhat of blackmail, threat, and the imposition of a solution from outside, which is not only unacceptable but cannot resolve the Yugoslav problem," Jovic told Novi Sad's DNEVIK.

Text of Presidency's Cease-Fire Decision

LD0608195391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1933 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—At its session this evening the SFRY Presidency unanimously adopted a decision to declare an absolute and unconditional cease-fire on the territory of the Republic of Croatia. The following is the full text of the decision:

In line with a decision by the SFRY Presidency on an immediate and absolute cease-fire in the Republic of Croatia of 3 August 1991, and in the light of an agreement among all interested parties in the armed conflict to accept the ceasefire, at its session of 6 August 1991 the SFRY Presidency adopted the:

Decision to declare an absolute and unconditional cease-fire on the territory of the Republic of Croatia.

1. The absolute and unconditional cease-fire between all the sides in the conflict on the territory of the Republic of Croatia comes into force on Wednesday, 7 August 1991, at 0600 [0400 GMT].

2. The forces in direct contact will immediately start to disengage and withdraw at least beyond firearm range, while mortars and other weapons and equipment must be removed to outside the limits of their maximum range from the lines of reciprocal disengagement.

This action will be carried out by 1800 [1600 GMT] on 7 August 1991 at the latest.

3. From the time of the cease-fire, the warring sides will stop all movements, except those in which the objective is to pull out from immediate contact and withdraw from trouble spots.

4. All warring sides are committed to full cooperation with joint bodies which will control and exercise supervision over the cease-fire.

5. Proceeding from the accepted commitments and responsibility for compliance with the cease-fire, the SFRY Presidency makes it incumbent on all warring sides to issue appropriate orders to all their armed units and give the necessary instructions concerning strict compliance with the preceding points of this decision.

Presidency Minutes on Meeting Troika

LD0608192291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1404 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—The information service of the SFRY Presidency is authorized to place at the disposal of the media the final section of the minutes from the SFRY Presidency session of 2 and 3 August 1991. This portion of the minutes makes clear the stand of the SFRY Presidency that four of its members should receive the EC ministerial troika, and its stand regarding the proposal of the EC memorandum. This portion of the minutes reads:

[Borisav Jovic] We have two proposals. The first is that everyone comes and everyone has talks and that one group comes and has talks. The second proposal is that this should be done individually and voluntarily.

I have proposed the latter. That the two or three who want to, and I am not interested who, tell them about our affairs—that we have adopted this decision, and to explain to them how we see the implementation of the existing agreement with them and also to hear what they have to say. For lunch we can all go or not as the case may be, and if they ask for someone in particular for talks, or if one of us wants separate talks, then we will organize it.

[Stipe Mesic] They have asked for a meeting with the whole Presidency.

[Borisav Jovic] I do not want that.

[Stipe Mesic] You do not have to come. Everything is alright. Whoever cannot come will not come. They asked for a meeting with the entire Presidency.

[Borisav Jovic] They have asked, but it is up to us to decide.

[Stipe Mesic] They [presidency members] will not come, and that's it. You are not interested, and that's it.

[Borisav Jovic] They are asking for talks on a new mandate. We cannot discuss this mandate because we have adopted this decision in the form we have adopted it. It refers to this.

[Budimir Loncar] Well, what about a compromise? It can start with four or five people and they can be told immediately that later during the luncheon they will be joined by other members, and that they will have an opportunity to talk to them.

[Stipe Mesic] Do you agree with this?

[Branko Kostic] I propose that the former, the current and the future president—who does not have a chance—be there. Let them be there and this is the best parity, while other Presidency members will join them at luncheon. I think this is very sensible.

[Stipe Mesic] All the Presidency members have been invited. Why should we stipulate when they wish to talk to all of us?

[Borisav Jovic] Then I suggest the following: Since the two of them will be present (Vasil Tupurkovski and Janez Drnovsek), you [Mesic] will also be there, that makes three; Let Branko [Kostic] go, that makes four. You four inform them about how we see that the Brioni memorandum should be implemented and about what we expect from them—to exert as much influence as possible. Inform them about our decision (refers to a decision on cease-fire in Croatia) today, about its purpose and what it implies as regards a new memorandum. It implies that a decision on that will be made at a later stage.

[Stipe Mesic] Do you all agree with this? (Approval) Everyone will be attending the luncheon.

[Ante Markovic] Everyone will be at the luncheon.

[Borisav Jovic] If they wish to have special talks [with us], we are here. We might or we might not attend the luncheon.

[Stipe Mesic] I declare the session closed.

(The session ended at 0230)

Draft Decision on Cease-Fire Accepted

LD0608165691 Belgrade TANJUG Domestic Service in Serbo-Croatian 1633 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—A session of the SFRY Presidency's commission for implementing a decision on an immediate and complete cease-fire in the Republic of Croatia was held in Belgrade this afternoon. The session was chaired by president of the commission Branko Kostic, SFRY Presidency vice president.

The commission concluded that in the course of talks, in which all working groups of the commission participated, all warring sides in the Republic of Croatia agreed to the cease-fire.

The commission accepted a report on work and a draft decision on the proclamation of a complete and unconditional cease-fire on the territory of the Republic of Croatia and a draft message which should be sent to the president of the EC Council of Ministers.

The commission sent these documents to the SFRY Presidency for consideration and adoption.

The SFRY Presidency session which had been called for 1800 today has been postponed until 1830, TANJUG has learned from the SFRY Presidency Information Service.

Tupurkovski Hopeful on Cease-Fire

LD0608152291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1338 GMT 6 Aug 91

[Text] Vajska, 6 Aug (TANJUG)—We have received assurances not only that the cease-fire and the SFRY Presidency's decision will be accepted, but also that all this will be the lead-in to further efforts to calm the situation in Croatia, SFRY Presidency member Vasil Tupurkovski told TANJUG following talks with representatives of Serbs from Slavonija, Baranja, and Western Srem. Talks were held behind closed doors in Vajska.

We will tell this to the Presidency [cease-fire] commission, in the hope that following a general overview of the situation, we can proclaim a cease-fire in Croatia, Tupurkovski concluded.

Federal Army Blockades Solta Island

LD0608224191 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 6 Aug 91

[Text] From Split, Marinko Cavar reporting: A blockade of the island of Solta, in effect the sea approach to Split, by the Yugoslav Army at 1700 this afternoon was enough to shock anyone with any sense, even members of the Yugoslav Army. As we have already reported, at about 1830 several naval vessels first blocked the harbour of Rogac and then the other places on the island. Half an hour later some 30 marines were landed from an army helicopter and blocked the roads between the Solta settlements of Rogac, Maslinica, Necujam, Grohote and Stomorska. As the Split political administration was told by members of the army security service, the army blockade of Solta is in response to yesterday's incident when a warehouse situated on the southern part of the island was broken into and, allegedly, an unknown quantity of ammunition was removed.

Telephone communications with the few telephones on the island of Solta are overloaded and we were unable to make contact with local people. According to unofficial information, two local people and a member of the police station in Grohote have been arrested. It is inconceivable and hard to believe, this transparent and naive blockade of an island, virtually a local community of Split only 10 nautical miles from the center of Split, because of the theft of some military material. Surely this could have been investigated by normal means.

Milosevic Calls Seselj 'Liar' on Chetnik Issue

AU0608182691 Vienna Oesterreich Eins Radio Network in German 1600 GMT 6 Aug 91

[Georg Dox report from Belgrade]

[Text] Vojislav Seselj is a liar when he claims that there are Chetniks. This was stated today by Serbian President Milosevic in a talk with Austrian parliamentarians. There is not a single Chetnik, he said. He deplored the termination of the EC mission and denied that the Albanians in Kosovo suffer even the slightest disadvantage. He explicitly rejected a division of Bosnia-Hercegovina, which he condemned as a plan of Tudjman.

SFRY Presidency President Stipe Mesic told the Austrian deputies today that it is absolutely desirable to internationalize the Yugoslavia crisis as much as possible and to involve the CSCE and the UN Security Council. Guarantees for internal and external borders are necessary. The army has to withdraw to the barracks, he said.

After the talk, Deputy Andreas Kohl said that Mesic had compared the Albanians' position with that of Indian pariahs and deplored the complete absence of rights for the Albanians. Mesic's position means the rejection of all large-scale solutions. That is, there is neither to be a greater Serbia nor a greater Croatia in the future. Asked about the country's future, Mesic said that the idea of a confederation is still under discussion.

The Austrian parliamentarians were able to ascertain great interest in the continuation of the EC mediation mission in their talks with federal parliamentarians. The EC mission must be taken up again, they said. However, the Yugoslav parliamentarians strictly reject the involvement of the UN Security Council in the conflict.

International

TANJUG Questions EC Prestige

LD0708153291 Belgrade TANJUG in English 1434 GMT 7 Aug 91

[Milenko Babic report]

[Text] The Hague, August 7 (TANJUG)—The prestige of the European Community (E.C.) is in jeopardy because its strategy towards Yugoslavia has reached a critical phase and for now there are no new initiatives.

This conclusion is prevalent in the Dutch public following yesterday's special meeting of the E.C. Council of Ministers in The Hague and the adoption of a declaration here.

The meeting was more dramatic than can be concluded from the declaration. There was greater division in the E.C. than a month ago. German diplomacy encountered broader support than earlier. Namely, apart from Belgium and Denmark, now Luxembourg allegedly shares the same line. It is assumed also that Germany's 'independent step' will continue, although any side-tracking from the joint strategy is unlikely, at least until the end of the Brioni moratorium.

It is believed in The Hague that new initiatives, after the failure of the European troika in Belgrade, cannot even be expected at the moment since diplomatic possibilities have been exhausted and other measures in the meantime have not been prepared.

The first step in this direction was made only now with The Hague declaration, which should be understood as a signpost of what could follow.

The E.C. is not giving up on Yugoslavia, which is clear from the declaration and can be deduced from statements of the European foreign ministers following the meeting. However, there is a strong impression that any kind of concrete engagement of the troika from now on is possible only in the event that all necessary conditions are achieved in Yugoslavia, that it is sought by all interested parties and that formal authorization from the Conference on Security and Cooperation in Europe (CSCE) and perhaps the U.N. is obtained.

This is particularly being insisted on, according to sources in The Hague, by Dutch Foreign Minister Hans van den Broek who is apparently deeply disappointed with the conduct of all the Yugoslav officials he had talks with. Allegedly, he is no longer willing to jeopardize his personal prestige, let alone that of the E.C.

It could be heard today that the E.C. will allocate 50 million ECUs for transit roads in Slovenia and Croatia. Serbia cannot count on such support for the time being.

The E.C.'S confirmation of the 'Brioni line' yesterday, certainly reflects the majority feeling. The events in Yugoslavia (a ceasefire in Croatia) as well as the warning from Moscow against the idea on sending any kind of troops to Yugoslavia influenced the outcome of yesterday's debate.

The key impression is that The Hague declaration should not be understood as an expression of the E.C.'S weakness or frustration of efforts, and even less as lack of interest in the settlement of the crisis in Yugoslavia. The declaration should be understood as the last warning to Yugoslav politicians to finally begin to seriously and with responsibility negotiate on the future of the country.

Austrian Officials Arrive for Talks

AU0608114591 Vienna Oesterreich Eins Radio Network in German 1000 GMT 6 Aug 91

[Text] After their talks in Belgrade, Deputies Schieder and Konrad, of the Social Democratic Party of Austria, Khol and Kowald, of the Austrian People's Party, Schmidt, of the Freedom Party of Austria, as well as Greens Deputy Marijana Grandits, who is accompanied by her baby, will also pay a visit to Croatia and Slovenia. Seeking peace solutions and clarifying Austria's position are the concerns of this delegation.

In their talks with the chairman of the Yugoslav Federal Assembly's Foreign Policy Committee, Aleksandar Simovic, the Austrian parliamentarians noticed a strong interest that the EC's mediating mission continue. The EC must continue its mediating efforts, it was stated. Therefore, the Federal Assembly fully supports the course of Prime Minister Ante Markovic, who yesterday expressly said that he was sorry about the discontinuation of the EC mission. The Yugoslav side did not maintain accusations that Austria was unofficially or officially involved in arms deals. The Austrian parliamentarians promised to follow any information about illegal arms transfer.

Of course, Serb-Austrian relations were another subject of the talk. The Austrian parliamentarians emphasized that the only thing that counted was the degree of democratization and the guarantee of human rights. On principle, they do not have an anti-Serbian attitude, it was stated.

Kosovo and the status of the Serbs in Croatia were also discussed in the talk.

Later today, the parliamentarians will meet the president of State Presidency, Mesic, and Prime Minister Ante Markovic. A meeting with Serb President Milosevic is also on the agenda.

Loncar Holds Talks

LD0708111491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1018 GMT 7 Aug 91

[Text] Belgrade, 7 Aug (TANJUG)—"We are trying to resolve the Yugoslav crisis in a peaceful and democratic way. In this process exceptional importance is attached

to the decision made last night by the SFRY Presidency on the proclamation of absolute and unconditional cessation of fire on the territory of the Republic of Croatia".

This was said by Federal Secretary for Foreign Affairs Budimir Loncar during his long meeting with an Austrian parliamentary delegation today. The delegation is led by Peter Schieder, chairman of the foreign policy committee of the National Council.

Loncar briefed Austrian parliamentarians on the latest situation in Yugoslavia and on the efforts to resolve the crisis. Referring to last night's State Presidency decision, he stressed the importance of its implementation in practice in which context he especially stressed the need for compliance with the cease-fire which is essential for the start of the talks on the future of the country.

Loncar also spoke of the economic and social aspects of the crisis and said in this context that Yugoslavia expected economic support from abroad.

The Yugoslav foreign minister briefed the guests from Austria on Yugoslavia's relations with international bodies, especially the EC, which, he said, was most active in the process of the solution of the Yugoslav crisis.

The Austrian parliamentarians were especially interested in the situation in Kosovo. In addition they asked Loncar what Austria could do in the process of the solution of the Yugoslav crisis.

Milosevic Addresses Cooperation

LD0608182991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1603 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—Serbian President Slobodan Milosevic today received an Austrian parliamentary delegation led by Peter Schneider, chairman of the foreign policy committee.

In a frank conversation President Slobodan Milosevic stressed that the Republic of Serbia respects all well-meaning endeavors and efforts by foreign factors striving to contribute to a peaceful, legal and equitable solution of the Yugoslav crisis. In this context, the basic starting point is to respect the equality of the states and their political independence, and non-interference in the internal affairs of others, upon which principles mutual relations and cooperation among the states have to be implemented.

On this basis, it was stated, the Republic of Serbia, within the framework of Yugoslavia, also wants to develop comprehensive relations with Austria.

Members of the Austrian delegation expressed interest in promoting comprehensive cooperation between Austria and Serbia, on the basis of mutual trust and respect, in which contacts on the parliamentary level can play an important role. In addition, they displayed an interest in the situation in Serbia and in its development.

Serbian Foreign Affairs Minister Vladislav Jovanovic; Aleksandar Simovic, chairman of the Foreign Policy Committee of the SFRY Assembly; and Walter Siegl, Austrian ambassador in Belgrade, also took part in the talks.

Mesic Meets Officials

LD0608152391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1330 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—SFRY Presidency President Stipe Mesic received today in the Palace of the Federation a group of deputies of the Austrian parliament Foreign Policy Committee led by Committee Chairman Peter Schneider.

During the talks, and at the request of the Austrian collocutors, President Stipe Mesic expressed his assessments of the political situation in our country, especially causes of armed conflicts in the Republic of Croatia.

SFRY Presidency President Stipe Mesic positively assessed the efforts to date, of the international community in contributing to the resolution of the crisis and cease-fire and expressed the expectations that the international community will continue to work in this sphere.

Aleksandar Simovic, chairman of the SFRY Assembly Foreign Policy Committee, attended the talks.

Drnovsek Comments on Meeting With Genscher

AU0608155291 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 6 Aug 91

[Text] Drnovsek has returned from Berchtesgaden to Ljubljana. Upon arriving at Brnik Airport he confirmed that the crisis in Yugoslavia, especially the cease-fire possibilities in Croatia, was the main topic of the discussion.

[Begin Drnovsek recording] Mostly, we discussed how to find an efficient way to end the hostilities in Yugoslavia. At the moment, all feasible proposals, including the possibility of calling the UN Security Council, are being considered. As you know, the CSCE will be activated on Thursday. Intense international consultations are underway. Genscher himself was in contact with most European foreign ministers, as well as with Baker, Bessmertnykh, and others. Therefore, I can say that international activities are extremely dynamic.

Of course, we also talked about the situation in Slovenia. I briefed him on our moves, our opinions and thoughts, and Genscher highly praised the current Slovene political policies. Indirectly, he encouraged us that if we continue with such policies, we can soon expect very good results in Europe as well.

There will not be much talk about Slovenia at today's meeting of the EC foreign ministers, because, fortunately, the situation in the republic is peaceful. However, they will discuss rather extensively the economic policy

toward individual Yugoslav republics. The shift of focus to individual republics is supposed to represent a great departure in EC policy.

Vice President Kostic Receives Soviet Ambassador

LD0608140891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1340 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—SFRY Presidency Vice President Branko Kostic today received USSR Ambassador to Belgrade Vadim Longinov who stressed that "the Soviet Union is strongly against any kind of military intervention in Yugoslavia".

According to the SFRY Presidency Information Service, "SFRY Presidency Vice President Branko Kostic today received in a working visit Soviet Ambassador to Belgrade Vadim Longinov at his request.

In the course of their lengthy talks, as reported, the SFRY Presidency Vice President informed Ambassador Longinov about the latest developments in the country and measures being taken by the SFRY Presidency to implement a decision on an immediate and complete cease-fire in the Republic of Croatia.

The Soviet ambassador confirmed previously voiced stands of the Soviet Union, saying that the USSR is urging Yugoslavia, as a sovereign state, to try to find its own way out of the crisis.

The Soviet ambassador reiterated that the USSR is strongly against any form of military intervention in Yugoslavia."

Crisis Internationalization Issue Viewed

LD0608173291 Belgrade TANJUG in English 1639 GMT 6 Aug 91

[Stevan Cordas report]

[Text] Belgrade, August 6 (TANJUG)—Following France's initiative that the U.N.Security Council discuss the Yugoslav crisis, TANJUG today learned that official Yugoslav circles assess that the European Community (E.C.) has still not exhausted all possibilities in its engagement and that they are surprised by France's initiative.

The Yugoslav crisis, Yugoslav officials recall, cannot be resolved in one meeting, even if the meeting is held by the U.N. Security Council. Testifying to this is the engagement of the E.C. troika, which since April, in five attempts, failed to coordinate stands of key political factors of Yugoslavia on a peaceful and democratic solution of the crisis.

The stand that the E.C.has still not ended its job in Yugoslavia, was also confirmed yesterday by Yugoslav Prime Minister Ante Markovic, who said that "despite the troika's failure, the E.C. has still not completely closed the door to Yugoslavia."

As far as the French initiative is concerned, which in official Yugoslav circles has caused surprise, it is quite possible for Paris to succeed in its efforts to put Yugoslavia on the agenda of the U.N.Security Council, for which a simple-majority vote is necessary.

However, this is but the first phase. The second is the adoption of a decision or resolution. In this phase, any one of the five permanent members has the right of veto. This veto, if a session of the U.N. Security Council on Yugoslavia is held, could be put by the Soviet Union.

During the latest Yugoslav-Soviet contacts, Moscow clearly said that it is against internationalizing the Yugoslav crisis and putting the crisis before the U.N.Security Council.

There is no agreement in Yugoslavia on the role of the E.C., the CSCE and the U.N. in resolving the Yugoslav crisis. Two opposing concepts are in collision—the Yugoslav republics of Slovenia and Croatia urge internationalization, while the Yugoslav republics of Serbia and Montenegro are against this. There is also a third concept, that of the Yugoslav state leadership, which is something in between the two.

Slovenia

Ministers View Army Moves, Issues

LD0708153591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1248 GMT 7 Aug 91

[Text] Ljubljana, 7 Aug (TANJUG)—"Plans have been worked out whereby the Yugoslav Army, after withdrawing from Slovenia into Bosnia-Hercegovina and to Serbia's western borders, will attack Croatia. After this republic has been overcome, the second phase of the attack on Slovenia will follow."

This was stated by Slovene Defense Minister Janez Jansa at a news conference today.

Minister of Internal Affairs Igor Bavcar spoke to the journalists on the situation in Slovenia following the cessation of armed conflicts.

Jansa said that the aforementioned actions are due to start at the end of September, and he wondered whether there are any realistic chances of this happening. In his assessment the key thing is to bring about the internationalization of the Yugoslav issue as soon as possible, because that would put paid to such preparations. Explaining the reasons behind the Army's withdrawal from Slovenia, Jansa also said that in the second phase of the conflict the Yugoslav Army was unable to make use of reserve forces, although it simply maintained that there had not been any at its disposal. According to him, the Brioni declaration gave Slovenia enough room for maneuver to maintain the positions gained on the battlefield. What happened was that it had been anticipated that the Yugoslav Army units in Slovenia could not be brought up to strength, which Slovania insured by tightly

closing its southern border. According to Jansa, the result was the Yugoslav Presidency decision to withdraw the Army. The other reason was that it was in the interest of Serbia that equipment and armaments worth several billion dollars should be transferred to a territory under that republic's control. Objectively speaking, that republic has thereby become one of the strongest military powers in the Balkans.

Speaking of the future of military facilities in Slovenia, Jansa said that the constitutional law, passed before the independence move, provides that in the first phase all federal property should become Slovene property, that is, managed by Slovenia. In connection with the Army's housing accommodation in Slovenia he said that housing had been financed and built with joint resources, with the result that its sale is unacceptable, that is, it has no legal validity.

Aswering a question why the Slovene side is shying away from returning heavy weaponry, Jansa stressed that the agreed exchange is on the basis of reciprocity. It will be returned when Slovenia gets back the weapons taken away from its territorial defense. Jansa regarded as superfluous a question put to him on whether Slovenia guarantees the safety of army officers' families who remain in Slovenia. They will be treated like any other citizen of Slovenia, he said.

Igor Bavcar told the journalists that in the period since the cease-fire five sabotage actions have been carried out on long- distance power pylons and on a gasoline pump in Maribor, which caused enormous financial damage. Bavcar said that the explosive devices used (one failed to explode) provided an indication as to who could have been the perpetrator. He added that the plastic explosive was accessible only to a few specialized units of the Yugosalv Army. Having made the assessment that the objective of these actions is to destabilize the security situation in Slovenia, Bavcar added that they will be continued, especially on the power installations, and particularly on the long-distance power lines connected with the nuclear power plant at Krsko.

Third Army Train Departs, Withdrawal Continues

AU0608181491 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 6 Aug 91

[Text] The withdrawal of the Yugoslav Army from Slovenia continues. The third train, loaded with tanks, armored personnel carriers, equipment, and other ammunition, left the Logatec station today. The train has already left Slovenia, as well as the column of some 100 military vehicles that departed Slovenska Bistrica this morning.

All guardhouses on the Slovene-Austrian border in upper Savinja Valley and Slovene Carinthia have been evacuated. The border is now controlled by reserve police units. The Yugoslav Army withdrawal from Slovene Carinthia is also coming to an end. In the Gorenjska region there are soldiers remaining only in Kranj and Bohinjska Bela. Few soldiers remain in the Dolenjska region, but there is still a fair amount of equipment and ammunition stored in military warehouses.

Some minor incidents occurred during the transfer of guard houses in Slovene Styria, particularly when establishing what is to be handed over and what is not. In the Pomurje region the Yugoslav Army units remain only in the Murska Sobota military camp. The least is known about the situation in the Posavje region, where several explosions were heard last night. The Yugoslav Army is obviously destroying everything it will not be able to drive away. About 40 trucks leave Cerklje [Military Air Base] for Zagreb daily, as well as several airplanes and transport helicopters, but it is not known yet when the shipment will end.

The withdrawal from Slovenia is also accompanied by considerable domestic trauma, as some families will remain in Slovenia while their fathers or husbands are leaving.

Croatia

Press Views New 'National Salvation' Government

LD0608105691 Belgrade TANJUG in English 0929 GMT 6 Aug 91

[Text] Belgrade Aug 6 (TANJUG)—The recent formation of a government of national salvation proves that the republic of Croatia has reached democratic maturity, the Zagreb daily VJESNIk writes.

According to the daily, what Croatia got after dramatic inter-party feuding in its parliament and factional infighting in the ruling party (Croatian Democratic Union—HDZ) is actually a government of democratic unity rather than a coalition government of national salvation.

The daily says this is evidenced by the fact that the agreement was signed by all the parliamentary parties and that political unity was not made conditional on the platform of any single party.

Neither the programme of this government not the government itself can be toppled by individual criticism, VJESNIK says, adding that this has been a big victory for Croatian President Franjo Tudjman, who is also HDZ president.

According to VJESNIK, the victory means a "new form of political unity in the republic on the basis of which it is now possible to count not only on broad popular support but also on international backing." The Belgrade daily BORBA, which generally reflects the views of the Federal Government, maintains that President Tudjman has averted by the skin of the teeth a putsch in his own party by its right wing, which favours "all-out war and general mobilization," and that the "HDZ as a whole suffered a heavy defeat."

Although he has succeeded in surviving by making a deal with the opposition, "the father of the nation" is "still very vulnerable," BORBA says, adding that the "opposition is still dissatisfied and is demanding that the constitutional presidential system, which gives Tudjman inappropriately great powers, should immediately be replaced by a parliamentary system."

"If Tudjman fails to discard the crown of an absolute monarch, who sees Croatia when he looks in the mirror, we could soon expect a re-run of the parliamentary coup," BORBA writes.

Tomac Assesses New Government

LD0608202291 Belgrade TANJUG in English 1844 GMT 6 Aug 91

[Text] Rijeka, August 6 (TANJUG)—The vice-premier of the Yugoslav Republic of Croatia, Zdravko Tomac, today said that "the next ten days will be crucial for the new (Croatian) government".

This will be a government of democratic forces which beat the "hawks" at the last session of the Croatian parliament, Tomac told a news conference.

The Croatian parliament elected a new government on August 3, with Franjo Greguric as the new premier. Tomac is one of the three vice-premiers, as the member of the SDP (the Party of Democratic Changes—former Communists).

He said that the new government would conduct a policy of peace, and also enable the economy for "functioning in conditions of war".

The news conference was held in Rijeka, the center of a region which borders with Istria. Most parts of the Istrian region are in the Republic of Croatia, but a small part is in the Republic of Slovenia.

Tudjman Seeks European Help To Prevent Bloodshed

LD0708082991 Berlin ADN in German 0325 GMT 7 Aug 91

[Text] Munich (ADN)—Even after mediation efforts by the European Community have failed, Croatian President Franjo Tudjman still hopes for European help to stop bloodshed in the Croat-Serbian conflict. In an interview with SUEDDEUTSCHE ZEITUNG (Wednesday edition) he said only "international support and action by Europe or the United Nations can prevent the worst, open war."

Tudjman names, among other things, a peace conference in which the EC should play a dominant role as a possible way toward a solution of the conflict. However, it is important above all that Croatia is recognized as an independent state: "Any step in this direction would, practically and diplomatically, make an escalation of the war impossible."

Domljan Calls For World's Assistance

LD0608181691 Belgrade TANJUG in English 1652 GMT 6 Aug 91

[Text] Bonn, August 6 (TANJUG)—President of Croatian parliament Zarko Domljan called for international military and economic assistance to Croatia.

Domljan, in an interview to the Cologne Deutschlandfunk, called for the urgent stationing of "blue or white helmets" in Croatia for the purpose of preserving the integrity of his republic.

Domljan maintains that the great powers should at once recognize the present internal boundaries between the Yugoslav republics as international borders as this would help "stop aggression by Serbia against Croatia."

The posture of the European Community relative to Yugoslavia's crisis was assessed by Domljan as "somewhat restrained" but he stressed that every assistance would be welcomed by Croatia.

He hoped that concrete steps would be agreed at the meeting of the twelve in The Hague to help resolve Yugoslavia's crisis.

Cease-Fire Proposals Detailed

LD0608161191 Belgrade TANJUG in English 1530 GMT 6 Aug 91

[Text] Belgrade, Aug 6 (TANJUG)—The Yugoslav State Presidency's commission assigned with overseeing a ceasefire in Croatia announced that it would propose today a State Presidency session at which the exact date of a ceasefire and the beginning of truce in Croatia would be proclaimed.

The Croatian leadership and the leaders of the so-called autonomous region (SAO) Krajina, in their talks with the commission yesterday, accepted a ceasefire.

The SAO Krajina in central Croatia is made up of several municipalities with predominantly Serbian population. The militia of Krajina have several times had armed clashed with the Croatian police and guard.

In addition to Krajina, the hotbeds of crisis in Croatia now include also the region of Banija (which in part borders with the republic of Bosnia-Hercegovia) and Slavonia in northeastern Croatia.

Part of the State Presidency Commission holds closed-door talks in Vajska today with representatives of Serbs from Slavonia, Baranja and Western Srem about the possible modalities of a ceasefire in this crisis area.

Representatives of the Serbs from Slavonia hold talks with members of the State Presidency commission: Vasil Tupurkovski from Macedonia, Bogic Bogiceic from Bosnia-Hercegovina, Vice-President of Yugoslav Parliament Irfan Ajanovic, and Federal Interior Minister Petar Gracanin.

Tupurkovski announced that the commission will in the next few days stay in Osijek, Vukovar and some villages in Slavonia and Baranja.

President of the National Council of Slavonia, Baranja and Western Srem Goran Hadzic, ahead of the closed-door talks, stated that the Serbs in this section of Croatia have not performed any aggression and attacks and have only been defending themselves. He said that Serbs would answer with full measure every armed attack and provocation.

Commerce Official Cited on Trade With Serbia

LD0708105191 Belgrade TANJUG in English 1018 GMT 7 Aug 91

[Text] Zagreb, Aug 7 (TANJUG)—In connection with a report by the Croatian Chamber of Commerce (PKH), the Zagreb daily VJESNIK today writes that business transations between the Yugoslav Republics of Croatia and Serbia have dropped sharply in the past two months.

Croatia's current claims on Serbia stand at 10 billion dinars (435 million dollars) and the value of Croatian property confiscated in Serbia is put at over 500 million dollars, writes VJESNIK.

PKH President Ivica Gazi says that this is the reason why the Croatian parliament has taken its decision to freeze economic and political ties with Serbia.

A drop in the value of the dinar and abuse of the Yugoslav currency have prompted Croatia to propose an introduction of commodity quotas in mutual trade and a setting up of a clearing system of payments, with payments to be made in a convertible currency, says Gazi.

He believes that Croatia should introduce a national currency unit as soon as possible and define its exchange rate as against the dinar.

A straining of the political situation in the country and an escalation of conflicts have led to the Croatian firms beginning to make preparations for the protection of their property, Gazi says. They are forming task forces to deal with crisis situations and considerably tightening control.

Unless effective measures are adopted to ensure a better traffic of goods, services and people, there is a danger that some parts of Croatia will soon be hit by hunger, epidemics and other hardships with unforseeable consequences, says Gazi.

Fighting Continues in Eastern Croatia

AU0608135491 Belgrade Radio Belgrade Network in Serbo-Croatian 1300 GMT 6 Aug 91

[Mirko Stankovic report]

[Text] Unfortunately, not even the first step has been made to permanently resolve the Yugoslav crisis in the Autonomous Province of Slavonia, Baranja, and Western Srem. Nobody here expected the peace appeal to have an effect on the first night anyway, but it was hoped that there would at least not be any explosions and attacks on people and property. It is obvious that not everybody has the same attitude toward the peace plan. Those issuing orders and those who have their fingers on the trigger are, one might say, still trigger happy.

So, this morning at 0330 in Otokar Kersovani Street in Vukovar, a building housing a shop called Vojvodina, which is owned by a firm from Sid, was blown up. Also asleep in the house was a married couple (?Resanin) of 80 and 85 years of age. They both suffered from shock.

In Pero Car street a car was blown up. The owner of the car is Damir Kosanovic. There was also some sporadic shooting on the [name indistinct] road.

Stronger explosions were heard near Mirkovci and on the outskirts of Osijek, on the Beli Manastir road. Unidentified persons bombed a car around midnight. Shooting also took place in the neighboring villages of Bjelo Brdo, Saravas, Garda, and [name indistinct]. Fortunately, nobody was injured.

Situation in Kostajnica 'Returning to Normal'

LD0608215791 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 6 Aug 91

[Text] We have already reported on this morning's terrorist attack on Croatian Kostajnica in which two terrorists were killed. As the Sisak police station reported, several of them were wounded and a quantity of weapons were seized. On the side of the Ministry of Internal Affairs, or rather the units controlling the situation in Kostajnica, there were no casualties.

Despite the frequent attacks on this little town on the River Una, the situation there is gradually returning to normal. This has been contributed to most by the members of the legitimate Croatian forces, who have been involving themselves in the repair of power lines and water supplies and are assisting in other areas the inhabitants of Kostajnica who remained in the town. Efforts are being made for the speediest possible return of refugees from Kostajnica to their homes. We should add that the police station has also been reestablished, and there are real prospects for the further stabilization of the situation.

MUP Forces Fire on Army at Bijelo Brdo

LD0708072191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0334 GMT 7 Aug 91

[Text] Novi Sad, 7 Aug (TANJUG)—The Novi Sad Corps information office announced early this morning that at about 2145 last night the forces of the Croatian Internal Affairs Ministry [MUP] and the National Guard Corps opened fire, first with small arms and then with mortar, at the Yugoslav People's Army [YPA] units stations in the region of the village of Bijelo Brdo. The firing went on for about 30 minutes.

At about 2330 the forces of the MUP and National Guard Corps also opened fierce small-arm fire at the barracks in Beli Manastir, which went on for about 30 minutes.

The YPA reataliated with fire appropriate to the attacks.

According to the Novi Sad Corps, there were no casualties among the YPA units.

Brezak Reports Cease-Fire Violations

LD0708101891 Zagreb Radio Croatia Network in Serbo-Croatian 0930 GMT 7 Aug 91

[Remarks by Milan Brezak, deputy minister of internal affairs of Croatia, at press conference in Zagreb—live]

[Text] Allow me to acquaint you first with the security situation in Croatia after the cease-fire ordered by the Presidency of Yugoslavia came into effect. After the set time, that is, 0600 [0400 GMT] on 7 August, the terrorists have, unfortunately, resumed their attacks on the Internal Affairs Ministry forces and on the civilian population.

At 0710 [0510 GMT], in other words one hour and ten minutes after the cease-fire came into effect, the town of Topusko came under mortar fire. Topusko has for days been exposed to mortar and other types of fire in an effort by the terrorists to take over this strategic location in this part of Croatia in order to accomplish the Chetniks' absurd idea of a Krajina, or rather of Greater Serbia.

At 0900 [0700 GMT] this morning three shells were fired at the villages of Lasinje and Desni Stefanki. This morning, a mortar attack was again carried out on the village of Saborsko in the Ogulin municipality and up to the time I left the Internal Affairs Ministry 102 shells had hit the village. The local church and several houses were hit. According to our information, the fire is coming from the direction of the village of Javornik.

As you can see, the terrorists are not observing the Presidency's decision just as they failed to do following the Yugoslav Presidency's decisions of 2 August and 30 July.

Gunfire was also opened this morning at the village of Vacani in the Sibenik municipality, which has come under constant intensive fire over the last four days.

I must tell you that the commanders of our units in these areas have promptly contacted the Internal Affairs Ministry's operations headquarters to ask instructions for further action. For the time being the Internal Affairs Ministry has not sanctioned return fire. However, I cannot guarantee that the ministry will not order the return of fire since, regardless of the Presidency's decision, we cannot allow the terrorists to continue killing innocent people in contravention of the decision. [remainder of item indistinct]

Night 'Transformed Into Day' by Vukovar Fighting

AU0708101491 Belgrade Radio Belgrade Network in Serbo-Croatian 0815 GMT 7 Aug 91

[Mirko Stankovic report from Vukovar]

[Excerpt] Even though it was known everywhere in Yugoslavia that the cease-fire in Croatia was only hours away, that is to say, it only needed to be formally proclaimed, an unprecedented mortar war indeed took place in the Vukovar area. In the evening, sometime around 2130 [1930 GMT], from the region of Borovo Naselje and (Busje), members of the Ministry of Internal Affairs and armed members of the Croatian Democratic Community launched the first grenades on the whole of Borovo and the positions covered by units of the Yugoslav People's Army.

In line with the (?order) of the Supreme Command, the Army and the defense force of Borovo Selo responded fiercely. Firing became stronger and stronger by the minute and at about 2300 [2100 GMT] it reached its height. It was as if the heavens had opened over the town. Night was transformed into day by the numerous blazing rockets and projectiles. Believe it or not, Vukovar looked like a miniature Stalingrad.

There was shooting from very heavy arms of very large caliber. The consequences have not been slight either. Many houses, garages, and cars in the town have been seriously damaged and many houses in the very center of town were demolished.

A large number of citizens were taken to the hospital during the night where all patients have already been transferred to the basement as a precautionary measure. It is estimated that more than 60 grenades hit the inner part of the town alone.

Mortar fighting was reported in Bijelo Brdo, where the Army was also attacked, as well as in Trpinja, Brsadin, Tenja, Mirkovci, Sarvas, Beli Manastir, where the Yugoslav People's Army was also provoked, and in Ilok.

The lull did not come about until 0300. [passage omitted]

Official Says Serbs Fire Hundreds of Shells

AU0708103791 Paris AFP in English 1025 GMT 7 Aug 91

[Text] Belgrade, Aug 7 (AFP) — Serbian fighters rained hundreds of shells down on Croatians after the federal-brokered cease-fire, which came into force at dawn on Wednesday [7 Aug] between warring parties in Yugoslavia, a Croatian official charged.

Croatia's Deputy Interior Minister Milan Brezak said the shelling had continued until 0700 GMT in several parts of Slavonia and Krajina, three hours after the cease-fire came into effect at 0400 GMT.

But police at Osijek, the regional capital of Slavonia in eastern Croatia, said the cease-fire was holding there more than six hours after the deadline.

"Calm and silence" had reigned since the early hours, according to a police spokesman at Osijek, capital of Slavonia, where fighting had been reported Tuesday night.

Serbian and Croatian reports had spoken of mortar fire and sporadic shooting until three hours before the unconditional cease-fire came into effect at 0400 GMT.

Osijek police said mortars fired by Serbian autonomists had hit the outskirts of the town around midnight.

Knin Official Blames Croats for Attacks on Serbs

LD0608190191 Belgrade TANJUG in English 1747 GMT 6 Aug 91

[Text] Knin, August 6 (TANJUG)—Chief of Staff of the Yugoslav Army (JNA) Knin Corps Colonel Ratko Mladic today said there will be no peace in the Skradin area, northeastern Dalmatia in Croatia, until Croatian armed forces cease breaking into villages populated by Serbs.

Mladic told reporters that the people in the Serbian villages in such situations are forced to defend themselves and that it is then helped by the military formations of the so-called Serbian Autonomous Region (SAO) Krajina.

Mladic said that over the past month, since his arrival to the corps and in this area, SAO Krajina formations never made incursions on a single Croatian village.

In order to prevent the conflict and turn the illusory truce to peace, Colonel Mladic believes that both sides must refrain from opening fire and keep at a given distance from members of the corps.

Maldic announced that from now on the corps forces will respond with all its might and combat force to any fired bullet, no matter who fires it.

The formations of the Croatian Interior Ministry, but also the formations of SAO Krajina, as Mladic said, with each day are acquiring up-to-date combat equipment.

Mladic said that the police and Croatian National Guard on August 4 opened fire on a JNA warplane from Stinger anti-aircraft missiles. He explained that the Army was then forced to respond selectively, as its aim was not to destroy live targets.

Today's statement of the JNA Knin Corps command, following recent fighting in the Skradin area and around Obrovac, set out that "the heavy mistreatment, abuse and harassment of the people in this area are unacceptable" to the members of this corps.

Mortar Attack on Village Near Zagreb

LD0608210991 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 6 Aug 91

[Text] This evening the terrorists launched a mortar attack only about 30 km from Zagreb. At 1945 an attack was launched on Lasinja, a village on the river Kupa, which, together with a number of other neighboring villages, comes under the Vrginmost municipality. The police station in Vrginmost today joined the so- called Serbian Autonomous Region of Krajina. Four shells fired in the direction of Lasinja caused no damage, with three missing the village and one landing in the local cemetery. Strong forces of the National Guard Corps are stationed in Lasinja. The entire male population of the village is ready to defend their village.

'Strong Explosions' Reported Near Conflict Zone

LD0608230991 Belgrade TANJUG Domestic Service in Serbo-Croatian 2245 GMT 6 Aug 91

[Text] Borovo, 6 Aug (TANJUG)—Strong explosions that shook the ground and machine gun fire were heard tonight just after 2300 between Borovo and Borovo Selo, one of the regions of Croatia where most conflicts have occured in the last three months.

The exchange of mortar and machine-gun fire in this area continued until after midnight, when it was only somewhat reduced in intensity.

In such a situation, the population of this area awaits the morning with uncertainty and anxiety, when the SFRY Presidency decision on absolute and unconditional cease-fire on Croatian territory will come into force.

Deputy Interior Minister Reports Casualty Figures

LD0608202991 Ljubljana Radio Slovenia Network in Slovene 2000 GMT 6 Aug 91

[Text] Croatian Deputy Interior Minister Milan Brezak told his regular morning news conference in Zagreb that during the armed clashes in Croatia 114 members of the Croatian security forces and 35 civilians have been killed. Two hundred and seventy policemen and 117 civilians have been injured.

Ivan Vekic, the new interior minister, was also present at the news conference. He said that the structure and organization of this service [as heard] is undergoing a radical change to increase its military capability.

Explosions Reported in Eastern Slavonia

LD0708065191 Zagreb Radio Croatia Network in Serbo-Croatian 0600 GMT 7 Aug 91

[Text] Judging by the intensity and the destructive power of the mortar and tank fire, last night and this morning were among the most difficult in Eastern Slavonija and Baranja. The firing started at about 2145 last night from

the direction of the villages of [name indistinct] and Tenja in the direction of Sarvas, [name indistinct], and the industrial area in the eastern part of Osijek. Shells damaged several buildings. Over 60 explosions were heard within 30 minutes. According to some reports, fire also came from the direction of the Osijek barracks, but the Yugoslav People's Army has categorically denied any involvement. There was sporadic fire all over Beli Manastir from all types of small arms, the Beli Manastir information center reported. No reasons have been given for the fire, which lasted 1 and ½ hours. The people of Vukovar and Borovo Naselje again had a troubled night. On several occasions, they came under powerful mortar and tank shelling from the direction of Brsadin, Trpinja, and Borovo Selo. It was quiet in Podravska Slatina overnight.

Serbia

Opposition Party Criticizes EC Decision

LD0608143591 Belgrade TANJUG in English 1215 GMT 6 Aug 91

[Text] Belgrade, Aug 6 (TANJUG)—The Serbian Renewal Movement (SPO) the biggest opposition party in this Yugoslav republic, said today the non-acceptance of the foreign observer mission was a move harmful to Serbia's interests.

"The truth is on Serbia's side," the SPO said in a statement issued today, adding that "the war in Croatia is being waged between Croat aggressors and Serbs on the defending side."

"For this reason there is no valid argumentation for an international observer mission not to be acquainted with this truth," the SPO said.

The party criticized Serbia's representatives for not accepting foreign observers by invoking Yugoslavia's sovereignty.

"Invoking the sovereignty of Yugoslavia is absurd, because those who decided to withdraw the Army from Slovenia by that act confirmed that Yugoslavia in that form no longer exists, and thus also its sovereignty within borders as they are now being concieved," the SPO said.

Representatives of Serbia, which is being blamed for the failure of the E.C. mission, in their talks with the E.C. delegation consented to all forms of foreign participation in the settling of the Yugoslav crisis save military involvement.

The Serbian government has rejected all accusations that it is to blame for the E.C. mission's failure, explaining that the Yugoslav Presidency has decided that the control of the ceasefire in Croatia will be carried out by the Yugoslav authorities—while the involvement of foreign observers could be considered in the event of the failure of the domestic control efforts.

Jovanovic Refutes EC Troika Position

LD0608225491 Belgrade TANJUG Domestic Service in Serbo-Croatian 2227 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—The Yugoslav crisis and the armed conflicts in Croatia are of such dimensions that the Republic of Serbia is vitally interested in their being overcome and is actively endeavoring to attain this as soon as possible.

As he stressed during his new conference tonight, this is emphasized in the letter which Serbian Foreign Minister Vladislav Jovanovic sent today to the Dutch Foreign Minister and head of the EC trioka, Hans van den Broek. The letter contains the positions of the Republic of Serbia in connection with the recent EC troika mission.

Although Europe is vitally interested in solving the Yugoslav crisis, the letter goes on to say, we believe that the solution to the crisis has to be found mainly by the Yugoslav nations and Yugoslavia, and that Europe can only help them in that. We believe that in helping Yugoslavia to resolve its current problems the EC must proceed from respect for the sovereignty of Yugoslavia and non- interference in its internal affairs, and that it must rely for support on appropriate Yugoslav organs and their decisions.

The decision on the cessation of armed clashes in Croatia was approved by the SFRY Presidency and accepted by the Republic of Croatia. This is an important fact from which the EC should proceed as regards its own interest in the implementation of the cease-fire, according to the Serbian stand.

The letter goes on to stress that it is a known fact that the SFRY Presidency considered the EC proposal on a joint supervision of the cease-fire, but that it had nevertheless decided that cease-fire supervision should be exercised by the Yugoslav authorities. The Republic of Serbia persistently endorses the decision of the SFRY Presidency and will do everything it can to have it implemented.

The letter goes on to stress that despite the SFRY Presidency decision that the Yugoslav organs should supervise the cease-fire, the EC ministerial troika proceeded from the assumption that Yugoslavia could not do it and insisted on the extension of the EC observer mission mandate to Croatia as well. Since their proposal was not accepted by the SFRY Presidency, the EC troika proclaimed their mission to have been a failure, drawing dramatic and inaccurate assessments and conclusions thereby. We believe that there are no grounds whereby the EC mission can shift its dissatisfaction over a sovereign decision by the SFRY Presidency onto the Republic of Serbia.

We stress that foreign military presence on Yugoslav territory will be incompatible with the independence of our country, according to the position of the Republic of Serbia.

Foreign Minister on Resolving Crisis

LD0608223691 Belgrade TANJUG Domestic Service in Serbo-Croatian 2139 GMT 6 Aug 91

[Text] Belgrade, 6 Aug (TANJUG)—The Republic of Serbia believes that Yugoslavia has a chance of resolving the crisis in which it has found itself. Serbia is vitally interested in the armed conflict in Croatia being overcome and is actively endeavoring to have this achieved as soon as possible.

As he stressed during his news conference in the Serbian government building tonight, Serbian Foreign Affairs Minister Vladislav Jovanovic sent a letter with this and other stands of the Republic of Serbia to Dutch Foreign Minister Hans van den Broek with a request to brief the EC foreign ministers on its content.

Answering questions put to him by journalists, Jovanovic said, in connection with the French initiative to put Yugoslavia on the agenda of the UN Security Council, that an established procedure applies for the Security Council to be convened. The French initiative should not surprise or alarm anyone. There is no guarantee that a meeting with this agenda will be held or that any valid decision will be taken. We know from experience that it is not easy to reach an agreement among the Security Council members on issues much less complex than the issue of Yugoslavia, stressed Jovanovic.

Answering a question on the basis for the idea that the Yugoslav organs who have so far demonstrated exceptional inefficiency could bring about a cessation of hostilities, the Serbian foreign minister said that this is intimated by the results obtained by the state cease-fire commission.

In connection with the EC declaration on Yugoslavia, which stresses that the negotiations about the future of the country should be based on the two principles of inviolability of all internal and foreign borders of Yugoslavia and of the guarantees for the rights of minorities in all the republics, Jovanovic said that international acts guarantee the inviolability of foreign borders. Yugoslavia's internal borders are considered to be less important divisions of an administrative nature, he said.

All national minorities in our republics are under the protection, not only of our constitution, but of international documents as well, Jovanovic stressed, recalling that no Yugoslav nation can be treated as a minority in its own country.

Democratic Party on Failure of EC Mission

LD0608190691 Belgrade TANJUG in English 1739 GMT 6 Aug 91

[Text] Belgrade, Aug 6 (TANJUG)—The Democratic Party, which acts in the Yugoslav republic of Serbia, has sharply censured the move by the republican authorities relative to the E.C. mission in Yugoslavia, concerning the rejection of talks on the memorandum of the European Community.

"This move has seriously helped an escalation of anti-Serbian feelings in Europe. The adversaries of Serbia have been given fresh arguments and excuses for a still more efficacious isolation of Serbia within the international community," says the party's announcement issued today.

The influential Democratic Party voiced confidence that the establishment of the truth about the situation in Croatia is beneficial to the Serbian people in the first place. Through a patient and persistent diplomatic and political activity the Serbian authorities would contribute much more to the understanding of the position of Serbs outside Serbia and to the protection of their rights, instead of taking an untactical stance towards the international community.

'Increasing' Role of Serbian Peace Movement

LD0608205791 Budapest Kossuth Radio Network in Hungarian 2000 GMT 6 Aug 91

[Interview with Serbian Peace Movement President Stojan Cerovic by Hajnal Mate—recorded]

[Text] In an interview, our colleague Hajnal Mate asked the president of the Serb Peace Movement, (Stojan Cerovic), whether with the increasing danger of a civil war, the organization of peace demonstrations is becoming pointless.

[Begin recording] [Cerovic, in English, fading into Hungarian translation] I am convinced that our peace movement is successful, it is only a question of good organization. Because many more people in Belgrade support peace than war, and not only in Belgrade. There are peace organizations in almost every large Yugoslav town. We are, for example, in contact with the peace movements in Croatia and Bosnia. Abroad, so far we have only succeeded establishing links with the Italian peace movement; we will be organizing some activities with them in September.

[Mate] Do you see any hope of the peace movements having concrete impact on daily politics?

[Cerovic] Yes, I hope so, if the war spreads further, our role will certainly be increasing. In my view, however, at the present moment, under international pressure the fight in Croatia will shortly come to an end. We feel that Yugoslavia cannot be divided up in a peaceful manner, any such attempt will lead to the use of violence. Therefore we could say that any call for peace is at the same time a call for retaining Yugoslavia. But Yugoslavia must not necessarily be interpreted as an organization based on the old communist foundations, our movement does not support communism or nationalism. We, as a neutral, nonpolitical movement, would

like to fight for a peaceful solution which is not built only on the interests of individual nationalities. [end recording]

Tirana Radio Assails Pristina Paper Ban

LD0608193191 Tirana Radio Tirana in English 1530 GMT 6 Aug 91

[Station commentary: "The Albanian press in prison"]

[Text] It is a year now that the RILINDJA newspaper does not appear in Pristina. The closing down of this newspaper was the heavy blow to the information in Albanian, especially following the ban on the radio-television of Pristina.

When the Serb Assembly decided on the banning of this newspaper, it claimed that it was a temporary measure. But time proved how temporary this measure against the most read newspaper in Kosovo was. The banning of the newspaper RILINDJA was in the wake of those repressive measures the Serb authorities resorted to immediately following the announcing of the constitutional declaration in July last year.

The dissolution through force of the legitimate Kosovo Assembly, the closing down of the Pristina radio-television, the ban imposed on the newspaper RILINDJA and other such measures revealed the ferocity of the Serbo occupiers. They also revealed that the Serbs find the term "dialogue" reluctant.

With the above measures, the Albanian people were denied even the most elementary right—that of information, freedom of speaking their mind out, freedom of communication.

The closing down of the Pristina radio-television and the banning of the RILINDJA newspaper caused, among other things, 150 journalists and some 1,300 other workers to become unemployed and they can hardly make their living at present.

But that which is much concerning is the psychological terror being exercised against the Albanians in Kosovo, besides physical maltreatment.

Fresh news arriving from Kosovo tell of teachers and professors, even distinguished (?lawyers), being laid off by Serb authorities. The university in Pristina is now the main target of discrimination. The aim is to break the heart and soul of the Albanian nation—to annihilate everything Albanian. Endeavors are being made to subdue the intellectuals, to give a blow to national consciousness. In fact, the events that followed this year were much painful [as heard] and tragic. The summer of 1990 was only the beginning of the new atrocious assault against the Albanians. Ethical problems that had been simmering in Yugoslavia exploded, resulting in bloodshed and casualties.

Under the circumstances of a disintegrating Yugoslavia, Kosovo was placed in a new position. It now demands to decide exclusively by itself on its own status. But the Serb opposition is great too. Everywhere you are shown the [words indistinct] by the Serbs, who are ready to effect a new wave of massacre in Kosovo, and in fact this wave of massacre has begun with the ban on the mass media in Albanian and the Albanian culture in general. Recently a new law was passed on the lifting of censorship over the mass media. But the newspaper RILINDJA has not appeared yet. So one is forced to believe that it is not the law in power but on the contrary, the oppressive and warmongering Serb policy.

Macedonia

Assembly: Constitution To Be Adopted by Sep

AU0708112091 Skopje Radio Macedonia Network in Macedonian 2000 GMT 6 Aug 91

[Nada Maricic report]

[Text] The Macedonian Assembly today issued an appeal for a halt to hostilities and armed conflicts everywhere there is shooting in Yugoslavia. The assembly adopted a conclusion that the new Macedonian constitution be adopted by 30 September at the latest, when the moratorium contained in the Brioni Declaration is supposed to expire.

Today's session of the Macedonian Assembly was characterized by the initiative of the Social Democratic Alliance for setting up a parliamentary commission that would establish the credibility of the claims made by the VMRO-DPMNE [the Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian Unity] in its (?recent) proclamation.

The representatives of the Party for Democratic Prosperity and the National Democratic Party returned to the assembly benches and took part in the assembly's work after a long absence. (?Because of this attendance) the assembly was virtually forced to discuss the political and security situation in the republic.

According to the representatives of the VMRO-DPMNE, their proclamation was not a call for the uprising of the Macedonian people. It opposes the secret talks against the sovereignty of Macedonia that have so far actually taken place.

(?Friends and foes) in the opposition parties stressed that the declaration has given rise to serious insinuations and assessments which discredit the republican leaders. At today's session the question was raised of who reached an agreement with the Serbian Assembly delegation.

The public has been informed in detail about the content of the latest talks (?which focused on) the Prohor Pcinski monastery, participants in the debate said. The (?opposition) was informed that the Macedonian Government had not reached any agreement with Serbian authorities.

The Constitutional Commission also met this morning. This evening it proposed to the Macedonian Assembly that a referendum be called for 8 September of this year. This decision also specified the text of the question that the citizens of Macedonia would answer: Are you in favor of an autonomous and independent state of Macedonia with the right to join a union of the sovereign states of Yugoslavia?

Assembly Approves Independence Referendum

LD0708004891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1702 GMT 6 Aug 91

[Excerpts] Skopje, 6 Aug (TANJUG)—The Macedonian Assembly, after sitting for 1 and ½ days, this afternoon began a session at which there was again discussion of the republic's political- security situation instead of the expected debate on a referendum on proclaiming Macedonian independence. [passage omitted]

Deputies from the Albanian Party for Democratic Prosperity and National Democratic Party returned to the Macedonian Assembly today after an almost two-month absence. Their spokesmen stressed that the Albanians in Macedonia are vitally interested in achieving the independence and sovereignty of a republic of equal citizens.

Dosta Dimovska, vice chairwoman of the Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity [VMRO-DPMNE] said that, so far, there have not been even minimal preparations for realizing the already adopted Macedonian sovereignty declaration. In her view, the waiting policy is fueling the hegemonist appetites of (Macedonia's) neighbors and the people's fear. Such a policy devalues the declaration on Macedonian sovereignty.

Macedonian President Kiro Gligorov calmed the heated legislative chamber by reminding the deputies that everyone is calling for a sovereign and independent republic. However, this would only be possible to achieve through wise and peaceful policies toward our neighbors. Gligorov stressed that a referendum is essential because any partial adoption of any kind of decision on independence means taking away the prerogatives which belong only to the people. In his view, the condition for the success of Macedonia's policies and the Macedonian state is good intra-national relations. Thus, the Macedonian president expressed particular satisfaction that the legislative groups of the Albanian parties returned to parliament.

Macedonian Assembly deputies this evening adopted by a show of hands a decision on holding a referendum on an independent and sovereign republic of Macedonia. According to this decision, the citizens of Macedonia will vote on 8 September on whether they are in favor of an independent and sovereign republic of Macedonia with the right to enter into a future alliance of sovereign states of Yugoslavia.

The adoption of this important decision was preceded by an exhausting and unproductive debate in which VMRO-DPMNE deputies insisted that a constitutional law on an independent state should be adopted first and only then should a referendum be called.

The Macedonian Assembly will continue its work tomorrow with a debate on the program of work of the republican government.

Assembly Resumes Adjourned Session

AU0608165591 Belgrade Radio Belgrade Network in Serbo-Croatian 1300 GMT 6 Aug 91

[Branka Danevska report]

[Text] The long and patiently awaited session of the Macedonian Assembly started in a tumultuous way, with raised voices, unusual retorts, and visible tension. The reason for this mood was the demand by Deputy Ljupco Popovski from the Social Democratic Alliance of Macedonia that a mixed legislative commission be set up to establish how true the claims were made by the VMRO-DPMNE [the Internal Macedonian Revolutionary Organization-Democratic Party for National Unity of Macedonia] in the Ilinden proclamation with which this party invited the Macedonian people to rebel against the legal authorities before the national holiday.

As the proclamation states, high treason has been committed. Macedonia has been sold to Serbia in secret meetings and in secret talks, and this is why the proclamation of its secession from the rest of Yugoslavia is deliberately being hindered.

The Social Democrats in the Assembly demand that those who betrayed Macedonia be named and it should be clarified when they committed their betrayal. If someone has betrayed Macedonia they should be tried, but if this is not the case the ones who should answer to the law should be those who are calling for militarization and an uprising using all available means and causing a special civil war in the republic and disturbing the already-disturbed citizens.

The VMRO deputies are defending their stands by making new accusations. They accused former communists of allegedly distributing Bulgarian leaflets in Skopje last October and of setting people against this party. They reproach Vasil Tupurkovski because General Tomislav Simovic was recently appointed commander of the Third Military District, when it was known that he was going to be the new defense minister of Serbia.

President Gligorov and Assembly President Andov are accused of defending Yugoslavia more than Macedonia and of turning Macedonia into a Serbian protectorate. They insist that those who recognize themselves in the proclamation report themselves rather than be sought out by some parliamentary commission.

The demand that all masks be taken off and that the people and citizens of Macedonia be told the truth has so far also been joined by the deputies of the Alliance of Reform Forces, the Liberal Party, and the Socialist Party of Macedonia.

Today the Assembly should either adopt or reject the proposal by the constitutional commission, formulated after painstaking negotiations that lasted two days, for a referendum at which citizens would decide the future of Macedonia and at which they would give an answer to the question of whether they are in favor of an autonomous and independent state of Macedonia with the right to join the (?next) alliance of the sovereign states of Yugoslavia.

It has also been proposed that a plebiscite be held on 8 September and that a new Macedonian constitution be adopted by 30 September at the latest. The demand by the VMRO-DPMNE that the republic first be declared independent with a constitutional law and then ask the people to express their view was rejected by a majority of the members of the constitutional commission. Since the VMRO- DPMNE is dissatisfied and thinks that the party is being attacked—the party considered this morning's talk with President Gligorov as pressure—it cannot be discounted that the party will not present this demand in the assembly again.

We will see what is going to happen because the session has just started and is continuing.

Bosnia-Hercegovina

Muslim Leader Discusses Conflict With Serbs

LD0608204391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1838 GMT 6 Aug 91

[Excerpts] Tuzla, 6 Aug (TANJUG)—The purpose of the policy of the Muslim Boshniak Organization [Muslimansko Bosmjacka Organizacija—MBO] is the preservation of Bosnia-Hercegovina within the present borders. The processes in Yugoslavia are developing beyond all our and foreign assessments. Instead of the victory of democracy, we have political confusion today, said Professor Muhamed Filipovic, vice chairman of the MBO for Bosnia- Hercegovina, at consultations of the town committees of the MBO for northeast Bosnia, which took part this evening in Tuzla.

Professor Filipovic came to Tuzla to explain to the party members the latest activities of the MBO for Bosnia-Herecegovina for signing an agreement with the Serbs on coexistence in Bosnia-Hercegovina and preservation of its integrity and to ask their support. [passage omitted]

According to Filipovic, the Serbs are armed to the teeth, they have created a state within a state in Bosnia-Hercegovina, relations are increasingly worse, and psychological pressure on the Muslims is growing. It is possible that a conflict between Serbs and Muslims will break out any day. To prevent this, a turn is being made to sign an agreement on the preservation of the integrity of Bosnia-Hercegovina and on securing its legal state status, that is, the joint state of Yugoslavia, Filipovic said in Tuzla.